Intergovernmental Affairs and Trade

Annual Report 2005-2006

Manitoba

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2007-04563/

MINISTER OF
INTERGOVERNMENTAL AFFAIRS AND TRADE

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Legislative Building
Winnipeg, Manitoba, CANADA
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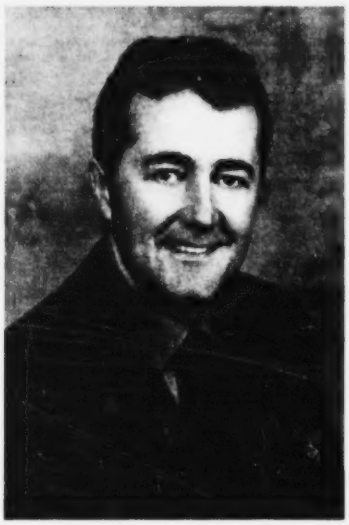
His Honour the Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg MB R3C 0V8

May It Please Your Honour:

I have the privilege to present for your information the Annual Report of Manitoba Intergovernmental Affairs and Trade for the fiscal year ended March 31, 2006.

Yours sincerely,

Scott Smith
Minister



Manitoba

Intergovernmental Affairs and Trade

Legislative Building
Winnipeg, Manitoba, R3C OV8
CANADA

Honourable Scott Smith
Minister of Intergovernmental Affairs and Trade
301 Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

We are pleased to present to you the Annual Report of the Department of Intergovernmental Affairs and Trade for the fiscal year ended March 31, 2006.

We have undertaken a number of initiatives throughout the year to enhance the long-term sustainability, health and safety of Manitoba's municipalities and communities. We have enhanced and improved Manitoba's integrated system of emergency management through proposed amendments to *The Emergency Measures Act* and a refocus on preventative and preparedness programs such as Business Continuity Planning. We have enhanced the safety of our cities by adding more police positions in Winnipeg and Brandon contributing to stronger communities. Environmental protection of our communities has been strengthened through the roll out of the new *Planning Act* which simplifies processes and provides for better integration of water protection and land use decisions. The new *Planning Act* along with the adoption of the newly amended *Provincial Land Use Policies* regulation (Policy #2 – Agriculture), which both came into effect on January 1, also assist in implementing the provincial Livestock Strategy. Local election processes were streamlined and modernized with the implementation of a new *Municipal Councils and School Boards Elections Act*.

We have continued to generously support Manitoba municipalities. To ensure fairness in taxation, we have rolled out a complete reassessment of all Manitoba properties outside of Winnipeg. Our generous funding support to all municipalities has been enhanced through the establishment of the new Building Manitoba Fund which expands the province's unique income tax sharing to include new fuel tax sharing and provided municipalities with an additional $8.0 million this year for infrastructure and services. A broad range of federal provincial cost shared agreements continue to address municipal service and infrastructure priorities. A strong commitment to the revitalization of Winnipeg was made by announcing the expansion of Neighbourhoods Alive! into additional inner city neighbourhoods; the introduction of new casino revenue sharing for Winnipeg; increased funding for transit and roads through the Building Manitoba Fund and the commitment to a new, long-term capital funding framework for the city.

We also work closely with Manitoba companies to develop new exporters and help experienced exporters diversify markets. In 2005, Manitoba exporting companies experienced a strong year with exports up 1.5% compared with 2004. For the first six months of 2006, Manitoba exporters continued to perform well with exports up nearly 9.0% over the same period for 2005. In February 2006, we co-ordinated Premier Gary Doer's successful business mission to the emerging market of India. It was the largest mission in Manitoba's history and included 45 delegates from 34 companies and organizations. We also released "Reaching Beyond Our Borders - A Framework for Manitoba's International Relations" in January 2006 that established the ongoing context for a continued and expanding role for the Province in the international arena. We are seeing an increase in diplomatic missions to Manitoba as well as in consular corps appointments to the Province, reflecting the Province's pro-active international trade strategy.

We have worked to enhance cross-governmental co-ordination to attract international scholars and collaborated with the federal government to renew the off-campus work program for international students, a project pioneered in Manitoba and since adopted by other provinces. We also continued to promote Manitoba internationally as an excellent study destination and were pleased to see our international student enrollment increase approximately 15% year over year.

Yours sincerely,

Linda McFadyen
Deputy Minister
Intergovernmental Affairs

Yours sincerely,

Diane Gray
Deputy Minister of
Federal-Provincial and International Relations
Deputy Minister of Trade

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Preface

Introduction

The Department of Intergovernmental Affairs and Trade was created by a government reorganization in November of 2003. The Rural and Northern Community Economic Development Division was transferred out of the former Department of Intergovernmental Affairs. As part of the same reorganization, a new division, Trade and Federal-Provincial and International Relations, was created through programming transfers from five departments. This consolidation facilitated the co-ordination of resources and expertise in international relations within the Government of Manitoba, maximizing effectiveness and alignment with corporate strategies as well as providing a "single-window" access and face to the government's international activities.

Emergency Measures Organization (EMO) was added to Intergovernmental Affairs and Trade in 2004. EMO's responsibility for overall co-ordination and management of emergency preparedness for government as a whole, and for supporting municipalities in matters related to emergency management, meshes nicely with other aspects of the department's portfolio.

Report Structure

This Annual Report is organized in accordance with the appropriation structure of the Department of Intergovernmental Affairs and Trade as set out in the Main Estimates of Expenditure of the Province of Manitoba for the fiscal year ending March 31, 2006. It thereby reflects the authorized votes of the Department as approved by the Legislative Assembly. The Report contains financial performance and variance information at the Main and Sub-appropriation levels relating to the Department's objectives and results. A five-year adjusted historical table of departmental expenditures and staffing is provided.

Role and Mission

Manitoba Intergovernmental Affairs and Trade's mission is to support Manitobans in building healthy, safe sustainable and productive neighbourhoods and communities. The Department provides leadership and works collaboratively with urban, rural and northern Manitobans and businesses to ensure their communities are places of opportunity. The Department's clients include individuals, local governments, community organizations and businesses.

The Department establishes a legislative, financial, planning and policy framework that supports democratic, accountable, effective and financially efficient local government, sustainable development of our communities and co-ordinated and effective emergency management. It promotes investment opportunities and supports Manitoba businesses, and companies providing products and services, to become export capable and expand into new markets. Within this framework, the Department delivers programs to meet particular needs for training, on-going advice, technical analysis, promotion and funding related to community/neighbourhood revitalization and development, infrastructure development, land use management, local governance, emergency preparedness, response and recovery, and trade and investment.

With a common interest in promoting the well being of our residents, businesses and communities, the Department plays a leadership role by supporting community and neighbourhood needs and is a catalyst and co-ordinator of action. The Department also advocates for Manitoba at the international level. The Department promotes intergovernmental relationships and strategic partnerships between the private sector and non-government organizations.

Statutory Responsibilities

The Department delivers services and programs under the authority of the following Acts of the Consolidated Statutes of Manitoba (as per schedules "M" and "R", Order in Council 361/2005.

The Capital Region Partnership Act

The City of Winnipeg Charter (S.M. 2002, C.39)

The Convention Centre Corporation Act (S.M. 1988-89, C.39)

The Municipal Councils and School Boards Elections Act

The Local Government Districts Act

The Municipal Act

The Municipal Assessment Act

The Municipal Affairs Administration Act

The Municipal Board Act

The Municipal Councils and School Boards Elections Act

An Act Respecting Debts Owing by Municipalities to School Districts

The Municipal Revenue (Grants and Taxation) Act (Part 2)

The Official Time Act

The Planning Act (except Part X)

The Regional Waste Management Authorities Act

The Soldiers' Taxation Relief Act

The Manitoba Trade and Investment Corporation Act

The Unconditional Grants Act

The Emergency Measures Act

The Emergency 911 Public Safety Answering Point Act

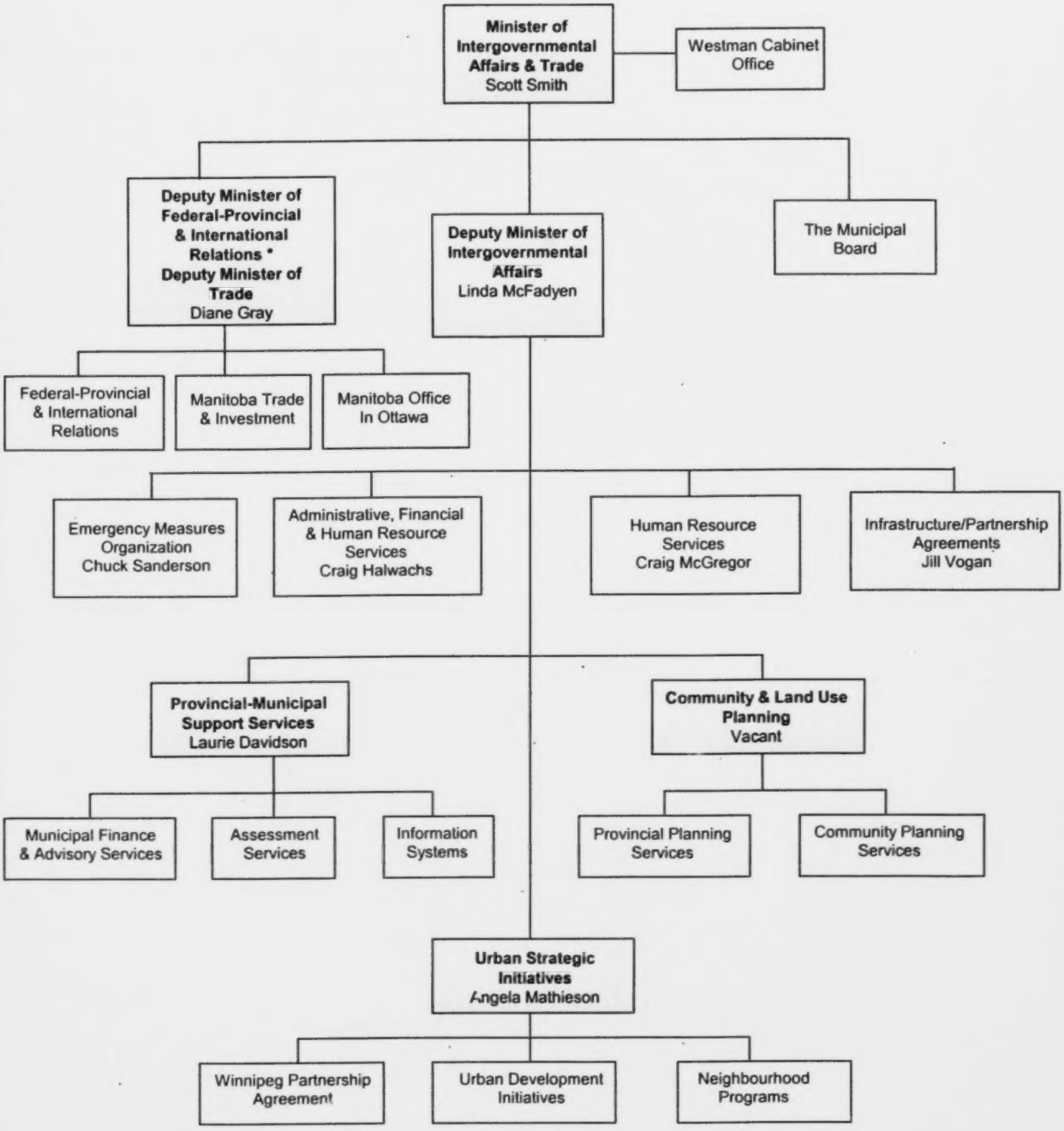
Organizational Structure

The Department's organizational structure is illustrated in the Organizational Chart and in the accompanying map depicting the regional delivery system. The Department is organized into five functional areas:

- Community and Land Use Planning Services, responsible for creating and managing an effective land use planning policy and legislative framework, providing the basis for all provincial and local decisions on land use, and delivering planning services and advice to communities across Manitoba.
- Provincial-Municipal Support Services, providing all 199 Manitoba municipalities with advisory and consulting services, financial support, enabling legislation and a policy framework enabling local governments to respond effectively and efficiently.
- Urban Strategic Initiatives, responsible for co-ordinating and developing sustainable, integrated urban public policies and programs with the community, and for supporting revitalization efforts in the downtown and designated neighbourhoods of Manitoba's urban centres, through initiatives such as Neighbourhoods Alive!, Building Communities, Urban Development Initiatives and Winnipeg Partnership Agreement (WPA).
- Trade and Federal-Provincial and International Relations provides strategic policy advice in managing relationships with the federal government and other provincial and territorial governments, co-ordinates a corporate approach to advance and promote Manitoba's interests in the United States and internationally supports business in becoming export capable, and supports educational institutions in marketing education and training opportunities internationally.
- Manitoba EMO provides a co-ordinating function for emergency preparedness within the government, and works with partners in the municipal and federal governments and private sectors to build a stronger and more co-ordinated system for emergency preparedness in Manitoba. Manitoba EMO is engaged in all aspects of emergency preparedness – mitigation, preparedness, response and recovery – and is responsible for the provision of the Disaster Financial Assistance program.

In addition to these core functions, the Department oversees the Canada-Manitoba Infrastructure Programs, the Canada-Manitoba Economic Partnership Agreement and the Winnipeg Partnership Agreement. Several Boards and Committees also function within the Department.

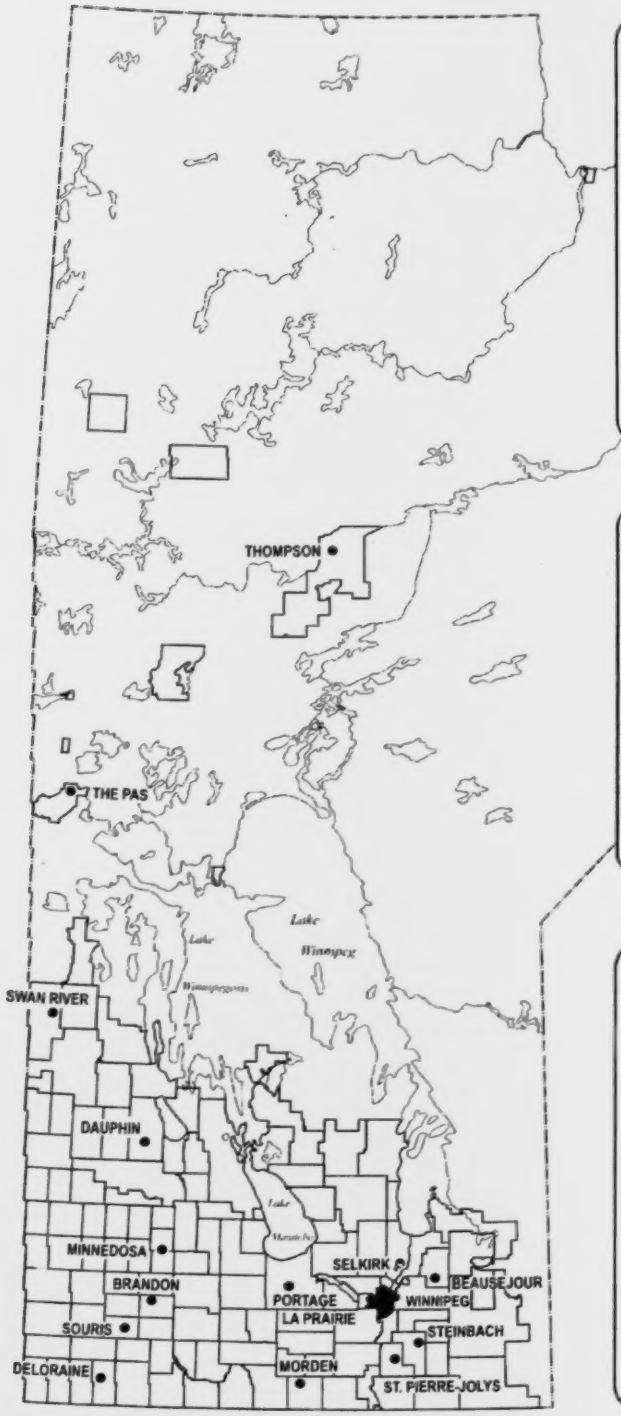
DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS & TRADE ORGANIZATIONAL CHART



*Reports on these responsibilities to Minister of Federal Provincial Relations – Gary Doer, Premier

April 2006

MANITOBA INTERGOVERNMENTAL AFFAIRS AND TRADE
REGIONAL OFFICES



INTERGOVERNMENTAL AFFAIRS AND TRADE
WINNIPEG OFFICE

- Administration and Finance
- The Municipal Board
- Community and Land Use Planning Services
- Provincial-Municipal Support Services
- Canada - Manitoba Agreements
- Urban Strategic Initiatives
- Trade and Federal - Provincial and International Relations
- Emergency Measures Organization

INTERGOVERNMENTAL AFFAIRS AND TRADE
REGIONAL OFFICE - SERVICES

LEGEND

- ▲ Assessment
- ✦ Community Planning Services
- ✱ Emergency Measures Organization
- ★ Municipal Finance & Advisory Services

REGIONAL OFFICE - SERVICES

BEAUSEJOUR		✦		
BRANDON	▲	✦		★
DAUPHIN	▲	✦		
DELORAINE		✦		
MINNEDOSA	▲		✱	
MORDEN	▲	✦		
PORTAGE LA PRAIRIE	▲	✦		
SELKIRK	▲	✦		
SOURIS	▲			
ST. PIERRE-JOLYS			✱	
STEINBACH	▲	✦		
SWAN RIVER	▲			
THE PAS			✱	
THOMPSON	▲	✦		

SECTION I
INTERGOVERNMENTAL AFFAIRS

Administration and Finance

The Division provides the Minister and staff responsible for the portfolio with advice and administrative support, makes recommendations on human resource management, and directs administrative and financial services. These services are provided by Executive Support, the Brandon Office, and the Administrative, Financial and Human Resource Services Branch. This Division also includes The Municipal Board.

Minister's Salary

The Minister provides leadership in maintaining and enhancing the direct partnership the Province has with its municipal partners, and its land use, resource management and economic development organizations. The Minister provides direction to ensure departmental goals and objectives are met.

1(a) Minister's Salary

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	29.7	1.00	29.4	0.3	

Executive Support

The office of the Deputy Minister provides the Minister and his staff with information and advice regarding matters of concern to ensure open and continuing lines of communication within the municipal/provincial partnership, and between the Department and its diverse client groups. The Deputy Minister's office continues to carry out policy decisions initiated by the Minister and set directions for the activities conducted by the Department's branches. Administrative assistance is extended to the Minister's office.

1(b) Executive Support

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	692.7	9.00	520.5	172.2	1
Total Other Expenditures	77.2		80.1	(2.9)	
TOTAL	769.9	9.00	600.6	169.3	

Explanation

1. Variance due to severance and vacation pay out.

Brandon Office

Opened in 1989 the Brandon Cabinet Office provides citizens in western Manitoba with ready and convenient access to government. The store-front office provides information regarding government programs, and access to contact people in government departments and agencies.

1(c) Brandon Office

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	139.8	3.00	173.2	(33.4)	
Total Other Expenditures	58.6		62.2	(3.6)	
TOTAL	198.4	3.00	235.4	(37.0)	

Human Resource Management

The Consolidated Human Resource Services Section provides the Department's executive with appropriate recommendations on all aspects of human resource management, works within Civil Service Commission legislation and policy guidelines, and ensures that short and long-term staffing requirements are met within the Department. These objectives are met through recruitment and selection, position classification, performance appraisal, labour relations, human resource planning, staff training and development, staff counselling and occupational health and safety programs. The pay and benefits services are being provided through the consolidated Human Resource, Pay and Benefits Unit.

Principal Activities in 2005/2006

- Continued recruitment and selection delegations, and classification delegations from the Civil Service Commission, as a consolidated unit. Thirty-three positions were filled through recruitment activity. In addition there were 14 appointments to S.T.E.P and one appointment under the Youth Transition Program. Fifteen job classification reviews were completed.

- Provided comprehensive pay and benefits services for approximately 314 Intergovernmental Affairs and Trade employees and 2,474 employees in total through the Consolidated Pay and Benefits Unit.

- Provided guidance and advice on pay and administration issues.

- Eighty-two employees attended various training courses offered through the Civil Service Commission's Organization and Staff Development Division. In addition, 20 employees received departmental education assistance to enhance career opportunities.

- Administered and interpreted labour relations agreements to ensure consistent application. Advised supervisory and management staff on application of contract provisions and provided advice and guidance on Labour Relations issues.

- Conducted entrance and exit interviews to capture improvement opportunities.

- Completed competency assessments and identified job specific competencies for all major job roles within the Department.

- Initiated a process to review current performance management system and applications. Started development of a new integrated performance management system based on competency management principles.

- Assessed the changing demographics of the Department's workforce and implemented employee development/learning plans to help identify skills requirements and development gaps.

- Recommended succession planning/knowledge transfer strategies.

- Continued to refine the Department's renewal website to promote and support Departmental initiatives.

- Conducted briefings and presentations to Department staff on topics related to government renewal activities.

- Implemented a comprehensive Leadership Development Training Program for Department staff and arranged for delivery of training. Twenty-four employees participated in two leadership development sessions.

- Completed Department Workplace, Safety and Health Program. Developed and delivered related training workshops.

1(d) Human Resource Management Services

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	164.3	4.00	148.4	15.9	
Total Other Expenditures	31.7		28.8	2.9	
TOTAL	196.0	4.00	177.2	18.8	

Financial and Administrative Services

This Section provides central support services essential to the operation of the Department, including comptrollership, accounting, financial reporting, budget co-ordination, and administrative services. Within the authority of *The Financial Administration Act*, central co-ordination is provided to ensure the financial integrity of management information systems. Staff is also responsible for interpreting directives and regulations of Manitoba Finance.

Principal Activities in 2005/2006

- Maintained the Minister of Intergovernmental Affairs and Trade Trust Account with receipts of approximately $7.5 million and disbursements of approximately $7.5 million.

- Processed expenditures totaling approximately $220.8 million. Maintained a revenue collection and deposit system totaling $9.0 million.

- Co-ordinated and consolidated the financial information necessary to prepare Detailed Estimates of Expenditure and Revenue, an Estimates Supplement, Annual Report, Public Accounts Variance Explanations and Quarterly Forecasts of Expenditures and Revenues.

- Co-ordinated the operation and maintenance of approximately 74 fleet vehicles.

- Co-ordinated requests under *The Freedom of Information and Protection of Personal Privacy Act*. To year-end, 30 requests were submitted to the departmental Access Officer and were processed.

- Prepared financial reports for departmental management, and administered the Soldier's Taxation Relief By-laws.

- Within the Department, provided continuing support for the SAP software. Provided technical advice, review, and revision of all related policies and procedures related to the business processes necessitated by SAP.

- Monitored and updated the business plan, and co-ordination of French Language Services.

- Co-ordinated the Department's procurement activities and represented the Department on relevant committees.

- As a member of the *Sustainable Development Act* Steering Committee, other related committees and the Procurement Council, the Department participated in the development of sustainable development guidelines for government. Those guidelines became the basis for incorporating sustainable development into the Department's future activities. A summary of the Department's sustainable development activities and accomplishments is included in Appendix D.

1(e) Financial and Administrative Services

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	397.4	8.10	495.3	(97.9)	
Total Other Expenditures	174.7		181.2	(6.5)	
TOTAL	572.1	8.10	676.5	(104.4)	

The Municipal Board

The Municipal Board is a quasi-judicial body that hears applications, appeals and makes reports and recommendations relating to local government matters.

Due to its quasi-judicial nature, the Board operates independently and is attached to the Department for administrative reasons only. The Board prepares a separate Annual Report on a calendar-year basis.

1(f) The Municipal Board

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	533.5	9.00	807.6	(274.1)	
Total Other Expenditures	231.9		238.0	(6.1)	
TOTAL	765.4	9.00	1,045.6	(280.2)	

Community and Land Use Planning Services

Overview

Community and Land Use Planning Services is responsible for creating and managing an effective land use planning policy and legislative framework in the Province to provide a sound basis for all provincial and local land use decisions. It also provides direct delivery of planning services to communities across Manitoba. These services are delivered through two branches: the Provincial Planning Services Branch and the Community Planning Services Branch.

Community and Land Use Planning Services contributes to the Department's overall mandate by ensuring well planned communities that are better able to provide a healthy living environment and to attract jobs and investment. In 2005/2006, Community and Land Use Planning Services focused its work on strengthening the foundations of planning in the Province.

Several key initiatives are described in more detail under each Branch. These initiatives included a complete rewrite of *The Planning Act*; review of Provincial Land Use Policies Regulation; ongoing development of a Capital Region planning initiative; enhancing planning practice in the Province with the Manitoba Planning Conference and delivering professional planning services to communities across Manitoba.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is given to Division staff to carry out programs and services in areas of provincial land use policy development and application, regional planning, community planning, subdivision approval and provincial planning legislation. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the executive level of government with information and advice on community and land use planning and related matters.

2(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	104.4	2.00	166.6	(62.2)	
Total Other Expenditures	28.0		28.4	(0.4)	
TOTAL	132.4	2.00	195.0	(62.6)	

Provincial Planning Services

Provincial Planning Services develops and administers the provincial policy and legislative framework that serves as the foundation for effective land use planning in Manitoba. It also contributes to healthy and sustainable communities through participation in strategic land use planning initiatives.

Principal Activities in 2005/2006

Provincial Planning Services is responsible for the review of development plan by-laws, land subdivisions, and annexation proposals on behalf of the Province. In 2005/2006, the Branch's activities included the following:

- *Review of Development Plan By-laws and Amendments:* Provincial Planning Services co-ordinated 129 reviews of new development plan by-laws and by-law amendments in consultation with other government departments and agencies. The Branch made recommendations to the minister on compliance of the by-laws with the Provincial Land Use Policies Regulation as well as other provincial regulations.

- *Review of Subdivision Applications:* Provincial Planning Services is responsible for the assessment and review of subdivision applications that have had issues or concerns identified through the local or provincial review process. Approximately 35 subdivision applications were referred to Provincial Planning Services for analysis and a recommendation on approval or rejection. Efforts are made to resolve issues between the applicant and the concerned agencies and parties.

- *Representing Provincial Interests in Land Use and Development at Hearings*: Provincial Planning Services is authorized to appear and make representations under *The Planning Act* at various hearings on development plan by-laws, zoning by-laws and subdivisions. In 2005/2006, Provincial Planning Services staff represented provincial interests at 15 hearings.

- *Municipal Boundary Reviews:* Annexation, Amalgamation and Expansion Proposals: Provincial Planning Services co-ordinated the interdepartmental review of four proposals submitted by municipalities under *The Municipal Act*. The Branch consulted with other departments and, where possible, mitigated and resolved outstanding issues with the affected municipalities. The Branch prepared reports to The Municipal Board and, upon approval of each proposal, prepared the draft boundary regulation.

- *Interdepartmental Review and Co-ordination Planning Board:* Community and Land Use Planning Services fulfilled its mandate for interdepartmental and inter-agency consultation and co-ordination on all local planning related proposals such as development plans, zoning by-laws and subdivision applications.

- *Shoal Lake Water Quality Agreement:* The Provincial Planning Services Branch oversees the Shoal Lake Water Quality Agreement on behalf of the Province. The Shoal Lake Agreement was signed by Manitoba, Winnipeg and Shoal Lake First Nation No. 40 in June 1989 and came into effect with the signing of a five-year parallel agreement between Shoal Lake First Nation No. 40 and Canada on September 18, 1990. The Shoal Lake Agreement has a term of 60 years. The overall objectives of the Agreement are to protect and maintain the quality of Winnipeg's drinking water, and to promote economic viability for Shoal Lake First Nation No. 40.

  The 1989 Agreement provided for the establishment of a $6,000.0 Trust Fund ($3,000.0 each from the City and Province) in consideration of the First Nation's regulation of certain activities on the Reserve for a period of 60 years. The Trust Fund is administered by a trust company on behalf of the three parties. Provided it fulfils its obligations under the Agreement, the First Nation will receive the annual income from the Trust Fund until the Agreement concludes after 60 years.

  Since the Agreement came into effect in September 1990, all of the income earned by the Trust Fund has been disbursed to the First Nation: a total to December 31, 2005 of $8,014.6.

Highlights in 2005/2006

Provincial Planning Services co-ordinated several major policy initiatives aimed at strengthening the land use planning framework in Manitoba and the Capital Region.

- *Planning Act Review:* Provincial Planning Services completed its review and consultation process of the Province's *Planning Act*. A new *Planning Act*, which streamlines and modernizes the land use planning process was adopted by the Legislature in June 2005 and proclaimed into effect on January 1, 2006. As a result of the legislation, all municipalities are required to have a land use development plan that includes a livestock operation policy adopted by January 1, 2008.

- *Provincial Land Use Policy (PLUP) Review:* The Branch continued its review of the PLUP Regulation 184/94. The PLUPs provide a framework for integrated and sustainable land use decision-making in Manitoba. The interdepartmental consultation was completed and proposed revisions and additions were identified. Policies are being drafted for further internal discussion with provincial departments prior to the broader public consultation.

  An amended *PLUP 2 – Agriculture* was adopted and brought into force on January 1, 2006 to meet the provisions of the new *Planning Act*. In addition to protecting prime and viable lower class lands for sustainable agriculture, the amendment now sets out the provincial direction for the establishment and approval of livestock operations to guide the development of livestock operations.

- *Capital Region:* The Capital Region Committee which is comprised of the Mayors and Reeves of the Capital Region, the Minister of Water Stewardship and the Minister of Intergovernmental Affairs and Trade has been meeting to share information and define priorities. The Department has committed to providing financial and staff support to a computer-assisted planning tool known as MetroQUEST that will facilitate the development and evaluation of various planning scenarios. An application to the Federation of Canadian Municipalities – Green Fund for $75,000 funding assistance has been approved and discussions are underway with the providers of the MetroQUEST to acquire the software and related consulting services.

  The Capital Region Partnership Act came into effect on January 2006. The Regional Planning Advisory Committee recommended the legislation and their recommendation was unanimously supported by the Mayors and Reeves of the Capital Region. It allows the Minister to establish the Capital Region Partnership by regulation after the leaders in the region provide their recommendations regarding the membership, organization and governance structure of the Partnership according to principles set out in *The Act*. Once established, the Partnership will promote co-operation among the partners; enable regional solutions, create a forum for information sharing; promote tourism and sustainable economic development; and conduct research on capital region issues.

- *The City of Winnipeg (Planning Provisions):* Provincial Planning Services assisted the City of Winnipeg with six planning and development issues.

- *2006 Manitoba Planning Conference:* In 2005/2006 Community and Land Use Planning Services facilitated the 2006 Manitoba Planning Conference held in Portage la Prairie, Manitoba on March 16-17th. The conference was a joint initiative with the Portage la Prairie Planning District, the Nor-Mac Planning District, Big Grass Planning District, and other partner organizations including the Association of Manitoba Municipalities, Manitoba Building Officials Association, Manitoba Professional Planners Institute, and the University of Manitoba Department of City Planning.

2(b) Provincial Planning Services

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	430.6	5.00	401.1	29.5	
Total Other Expenditures	114.7		199.6	(84.9)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(83.0)		(170.3)	87.3	
TOTAL	462.3	5.00	430.4	31.9	

Community Planning Services

The Community Planning Services Branch supports the development of healthy, sustainable communities by providing regionally-based community planning and development services. Located in nine regional centres across Manitoba and supported by a Winnipeg office, the Branch delivers professional and technical planning services to local planning authorities, northern communities and the public, and carries out the responsibilities delegated to staff under *The Planning Act* and *The Municipal Act*.

Principal Activities in 2005/2006

- Staff provided professional and technical services to municipalities and planning districts preparing development plans and zoning by-laws, and related amendments. In 2005/2006 staff assisted in the preparation and adoption of 208 development plans and zoning by-laws. These by-laws ensure local control over the use and development of land.

- The Branch provided advice and assistance to local governments and provincial agencies in the implementation of sustainable development principles in the planning and development process. Staff supported the provincial review and issue resolution process for new development plans and major amendments.

- The Branch continued to work in partnership with Aboriginal and Northern Affairs to provide strategic planning and land use planning services to unincorporated northern communities. In 2005/2006 the Branch undertook major planning projects in six northern communities.

- The Branch provided advice and assistance to other provincial departments and agencies on the use and development of land. In 2005/2006, staff reviewed 190 proposals for the disposition or development of Crown land, and provided comments to Manitoba Conservation.

- Staff processed 870 new applications for subdivisions as the delegated subdivision approving authority under *The Planning Act*. Staff also reviewed 102 applications for subdivisions submitted to the Brandon and Area Planning District Board, the Selkirk and District Planning Area Board, and the Lac du Bonnet Planning District Board.

- In 2005/2006, 48 by-laws for the closure of roads and public reserves were reviewed and approved on behalf of the Minister. The authority to make decisions on by-laws for the closure of roads and public reserves has been delegated to senior regional planning staff.

- Regional staff participated in the review of major proposed livestock operations through the Technical Review Committee process under *The Planning Act*. In 2005/2006 staff contributed to 26 new technical review reports prepared for consideration by municipal councils.

- Branch staff provided advisory assistance to planning districts and municipalities to deal with land use issues related to livestock development as part of Manitoba's Livestock Stewardship Initiative. This Initiative is intended to ensure that the expansion of the livestock industry is sustainable both to protect the environment and to derive the maximum social and economic benefit for Manitoba communities and the provincial economy.

- Staff provided support to the Provincial Planning Services Branch in the reviews of Manitoba's Planning Law, the Provincial Land Use Policies and Capital Region initiative.

Highlights in 2005/2006

- The Branch supported the expansion of one new planning district in 2005/06 bringing the total to 45 planning districts involving 146 member municipalities. Planning districts play a key role in developing effective responses to community and land use planning issues.

- Staff continued working to build the capacity of communities to deal with development and land use planning issues by providing educational and training opportunities for elected and appointed municipal officials. In 2005/2006, the Branch assisted in organizing the 2006 Manitoba Planning Conference, which was held in Portage la Prairie. The conference provided educational and information sharing opportunities for over 300 elected and appointed officials involved in planning.

- Under the Community Planning Assistance Program, in 2005/2006 the Branch provided a total of $40,261 to 6 planning districts and municipalities to assist in preparing or updating local planning by-laws.

- Branch staff played a significant role on the interdepartmental committee led by Water Stewardship in developing a nutrient management strategy in relation to the proposed *Water Protection Act*.

- The Branch, in consultation with Manitoba Agriculture, Food and Rural Initiatives, Manitoba Conservation and Manitoba Water Stewardship, drafted guidelines to assist municipalities and planning districts in the preparation of a livestock operation policy.

Summary of New Planning Projects by Regional Office (2005/2006) [1]

Regional Office	Development Plans & Amendments	Zoning By-laws & Amendments	Other By-laws	Sub-divisions	Livestock Technical Reviews	Crown Land Reviews
Beausejour	7	23	11	86	0	27
Brandon	12	35	23	101	7	3
Dauphin	5	7	2	76	0	57
Deloraine	0	4	3	15	5	1
Morden	3	18	5	111	3	0
Portage	5	16	6	117	0	2
Selkirk	6	19	9	109	0	49
Steinbach	7	29	7	251	11	7
Thompson	3	9	0	4	0	44
TOTALS	**48**	**160**	**66**	**870**	**26**	**190**

[1] Figures show only new projects begun in 2005/2006 and do not include ongoing work on projects begun in previous years.

2(c) Community Planning Services

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	2,885.4	45.00	2,876.6	8.8	
Total Other Expenditures	732.5		1,055.0	(322.5)	
Less: Recoverable from Rural Economic Development Initiatives	(284.5)		(571.7)	287.2	
TOTAL	3,333.4	45.00	3,359.9	(26.5)	

Provincial-Municipal Support Services

Overview

Provincial-Municipal Support Services contributes to the Department's overall mandate by building municipal governments' capacity to ensure effective, efficient and accountable local governments that can position themselves to enhance their viability into the future.

The Division is responsible for creating and managing a relevant and enabling policy and legislative framework, and for delivering the Province's core governance, advisory and financial services and programs to Manitoba's 199 municipalities and is also responsible for property assessment and property tax policy. The Division provides assessment services, including producing assessment notices and tax statements, to all municipalities except the City of Winnipeg as well as technological support to the Department's other Divisions. These services are delivered through three branches: Assessment Services; Municipal Finance and Advisory Services; and Information Systems.

In addition, the Division frequently acts as liaison between other government departments and municipalities.

2005/2006 Highlights

- Brought forward the new *Municipal Councils and School Boards Elections Act*, which modernizes and streamlines the local election process.
- Delivered new, increased funding to municipalities under the Building Manitoba Fund. The new Building Manitoba Fund expands Manitoba's unique income tax sharing to include new road-related fuel tax sharing in support of public transit, roads and other municipal infrastructure and services.
- Implemented the 2006 General Reassessment which involved updating all property assessments to reflect 2003 market values to ensure fairness in property taxation. *The Municipal Assessment Act* requires reassessments be undertaken every four years.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is provided to staff of the Division to carry out programs and services in the areas of education and training, advisory, financial, property assessment and data processing services to local government. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the Executive level of government with information and advice regarding matters of concern relating to local government.

3(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	154.0	2.00	157.3	(3.3)	
Total Other Expenditures	25.7		28.9	(3.2)	
TOTAL	179.7	2.00	186.2	(6.5)	

Assessment Services

The Branch provides property assessment services related to 395,000 roll entries, with a total market value of $34.0 billion, to:

- 198 Manitoba municipalities (Winnipeg provides its own assessment services).
- Manitoba Aboriginal and Northern Affairs, for the 61 communities under its jurisdiction.
- Manitoba Education, Citizenship and Youth.
- 36 Manitoba school divisions/districts.

The assessment services include determining the values, classification, and liability to taxation of:

- "Real property" (land and buildings) in all 198 municipalities.
- "Personal property" (equipment) used for gas distribution systems and for oil and gas production in all municipalities, and other personal property in 134 municipalities that impose a personal property tax.
- "Business assessment" in 48 municipalities that impose a business tax.

Principal Activities in 2005/2006

- Conducted the quadrennial reassessment and issued assessment notices in the spring of 2005. Held open houses in 117 communities, and conducted information meetings with all municipal councils. Updated the assessment website to provide public access to assessments.
- Updated the 2006 reassessment rolls to reflect post-spring construction and changes in owner, owner address, legal description, subdivision of land or additions to buildings; issued notices to the affected owners; and provided the preliminary and final rolls to the municipalities. Over 117,000 changes were recorded for the 2006 rolls.
- Responded to the 2,066 appeals filed at the Boards of Revision in 2005 and the 141 subsequent appeals filed at the Municipal Board.
- Provided municipalities with the information required for "supplementary taxation" – tax bills for new construction that was not on the final assessment roll delivered in the previous year, thus ensuring municipalities collect the full tax revenue they are entitled to.
- Conducted on-going property reviews, undertaken to ensure property records are current. Approximately 47,000 properties were reviewed.

The Branch also researches issues related to property valuation, develops policies and procedures for the district offices, liaises with the City Assessor, and assists businesses, other organizations and other provincial and federal government departments with respect to assessment issues. The Branch also provides advice to government on legislative and policy issues related to property assessment.

For additional information on Market Value Assessment see Appendix A, and for additional information on Total School Assessment see Appendix B.

The Assessment Branch operates on a cost-recovery basis. Of its total budget 25% is recovered from Education, Citizenship and Youth and 75% is paid by municipalities.

Clients

- *Municipalities* use the assessments as a critical component in raising the municipal taxation necessary to support their local service delivery.
- *Manitoba Education, Citizenship and Youth* (Education Support Levy) and the Province's 36 school divisions (special levy) and districts use the assessments in raising the tax revenue necessary to support school programs.
- *All government departments* with responsibility for Crown property use the assessments as the basis of grant-in-lieu of tax payments made to municipalities.
- *Property owners, fee appraisers, lending institutions and the public* also use assessment data for a variety of purposes.

Highlights in 2005/2006

- *Province-wide General Property Reassessment:* A general property reassessment was conducted province-wide which saw all property values updated to reflect their market value as of the 2003 reference year. The new assessment values came into effect for the 2006 tax year.
- *Harmonization of Assessment Branch and City of Winnipeg Property Assessment Department Practices:* The Provincial Municipal Assessor and the City of Winnipeg Assessor continued a systematic review of assessment policies and procedures, aimed at ensuring commonality of approach wherever possible to increase consistency and equity of assessments across the Province.

3(b) Assessment Services

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	6,782.0	124.50	6,917.0	(135.0)	
Total Other Expenditures	1,471.7		1,621.8	(150.1)	
Less: Recoverable from Education, Citizenship and Youth	(2,134.7)		(2,134.7)		
TOTAL	6,119.0	124.50	6,404.1	(285.1)	

Municipal Finance and Advisory Services (MFAS)

The MFAS Branch supports the building and maintenance of strong municipal governments that can efficiently and effectively respond to their changing environments and serve as the foundation for healthy, viable municipalities.

The specific support provided to municipalities varies widely depending on the capacity and size of the municipality and its government. Winnipeg, as a large urban centre, operates under a different legislative and funding framework and does not generally require advisory services.

Principal Activities in 2005/2006

- Provided a relevant and enabling legislative and policy framework.
- Provided capacity-building advisory and consultative services on administrative, governance and financial matters.
- Ensured municipalities met statutory requirements for financial budgeting, accounting, reporting and capital borrowing, as well as performing due diligence for capital borrowings.
- Provided annual financial assistance to support the operating and capital priorities of municipalities.
- Provided administration of Federal Gas Tax Funds to municipalities.

Highlights in 2005/2006

- Brought forward the new *Municipal Councils and School Boards Elections Act* which came into effect on January 1, 2006 and replaced *The Local Authorities Election Act.* The new Act simplifies election administration and streamlines and modernizes the legislation.

  Developed election support resources, including a comprehensive procedures manual for election officials, a candidate's guide, and delivery of province-wide training seminars.

- Provided consultative services as requested by individual municipalities exploring restructuring options. Continued to support the Tools for Change partnership initiative with the Association of Manitoba Municipalities, including expanding the Best Practices component.

- Designed and delivered workshops and seminars to elected officials and municipal administrators to build administrative and governance capacity at the local level, including:
  - a workshop at the 2006 Municipal Officials Seminar, providing practical advice on the recruitment process for hiring a new Chief Administrative Officer;
  - training sessions, in conjunction with the Manitoba Municipal Administrators Association, targeted at new Chief Administrative Officers to inform them of their legislative responsibilities and related administrative practices;
  - financial information workshops, delivered in conjunction with the Manitoba Municipal Administrators Association, covering a broad range of topics relating to municipal budgeting and financing options.

- Continued to develop capacity in support of local decision making by:
  - revising *The Municipal Act* Procedures Manual to provide updated information on legislative/regulatory changes and policy issues including new financial tools available to municipalities;
  - providing municipalities with timely information bulletins.

- Continued to revise the "*Statistical Information for Municipalities*" publication, to improve the relevance and usefulness of this information and facilitate more relevant comparisons between like municipalities. New information includes budgeted municipal expenditures and municipal property taxes.

- Undertook due diligence requirements related to municipal capital borrowing to assist municipalities in financing capital projects. In 2005, $52.2 million in capital borrowing was conducted by Manitoba municipalities, a 75% increase from the $29.8 million borrowed in 2004. The number of borrowing applications increased from 62 in 2004 to 85 in 2005.

- Continued to work on implementation of Public Sector Accounting Board (PSAB) recommendations for municipal accounting and financial reporting.

- Delivered comprehensive funding support to all Manitoba municipalities. The Province has a different arrangement for financial support to Winnipeg than other municipalities, given the different needs, demographics and economies of these municipalities. All municipalities, however received a share of provincial tax revenues through the Building Manitoba Fund, Manitoba's unique income and fuel tax revenue sharing program.

- In 2005/2006, the Province of Manitoba established the new Building Manitoba Fund, expanding the province's income tax sharing to include new fuel tax sharing, providing municipalities with over $118.0 million in support of roads, transit and other municipal infrastructure and service priorities, with the total amount set in legislation.

  Through the Fund, municipalities received a share of provincial income tax revenues. Funding was based on the same formula as the former Provincial Municipal Tax Sharing (PMTS) arrangement. In 2005/2006, $86.0 million in shared income tax revenues was provided to Manitoba municipalities through General Assistance payments, an increase of $3.7 million or 5% over 2004/2005. New accountability provisions introduced in 2005/2006 ensured that this funding was dedicated to municipal infrastructure, in keeping with the priorities of Manitobans.

  Road-related fuel tax revenues equivalent to 2 cents per litre of provincial gas tax and 1 cent per litre of diesel tax were also shared with municipalities for the first time in 2005/2006. Provincial road and transit grants to municipalities were increased and converted to a share of provincial fuel tax revenues, providing increased funding for municipal roads and public transit services across Manitoba.

- Over $105.0 million in provincial funding was provided to the City of Winnipeg in 2005/2006 through Manitoba Intergovernmental Affairs, including support through the Building Manitoba Fund ($78.6 million), and ongoing operating and capital grant funding to address priority projects and initiatives. Program related support was also provided to the City from other provincial government departments.

- Municipalities outside the City of Winnipeg also received funding from the Department through a number of unconditional and conditional grant programs, including support through the Building Manitoba Fund ($39.9 million). Additional capital support was provided on a project basis through other programs including the Canada-Manitoba Infrastructure Program, Manitoba Water Services Board and through support for Conservation Districts.

- Supported municipalities through the administration of Federal Gas Tax Funds by developing and processing funding agreements with 199 municipalities to distribute federal gas tax funding.

3(c) Municipal Finance and Advisory Services

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,092.5	16.30	1,154.8	(62.3)	
Total Other Expenditures	376.3		346.9	29.4	
Less: Recoverable from Urban Development Initiatives	(103.0)		(103.0)		
TOTAL	1,365.8	16 30	1,398.7	(32.9)	

Information Systems

The Branch supports and improves the delivery of Intergovernmental Affairs and Trade programs by introducing advanced information technology, developing new systems, and helping redesign business processes.

The Branch provides application development, technical support, and clerical support to tax billing, assessment, and internal departmental systems.

Principal Activities in 2005/2006

- Supported, operated and maintained the Manitoba Assessment Computer System (MACS) and the Manitoba Assessment Valuation and Administration System (MAVAS) to produce annual assessment rolls and notices for municipalities, including enhancements to ensure that the technology supporting these business processes remains current.

- Supported, operated, and maintained the Manitoba property tax system to prepare annual property tax statements and related reports for municipalities, and water-billing services for some municipalities.

- Supported and operated other Intergovernmental Affairs and Trade systems, including maintaining:
  - the Community Planning Services (CPS) Activity Tracking System to provide the ability to monitor the progress of various items at the regional planning offices;
  - the Municipal Board Letters System for the Municipal Board to schedule and track hearings and send out notices to appellants;
  - the Capital Region Geographical Information System to provide Internet based public access to land based data for the Capital Region;
  - the Manitoba Education/Property Tax Credit Advance (MEPTCA) System, used to confirm eligibility and provide qualified taxpayers with the MEPTCA deduction; and
  - a variety of other smaller systems to support functions such as budgets and salary projections.

Clients

- *Primary internal clients* are *other Intergovernmental Affairs and Trade branches (primarily the Assessment Branch)* that rely on Information Systems to provide information technology services. Other internal clients include Manitoba Education, Citizenship and Youth and Manitoba Finance.

- *Primary external clients* are municipalities for the assessment rolls and notices, budget re-caps, and tax statements for budgeting and tax collection purposes.

- *Secondary external clients* are organizations involved in real estate, appraisal, financial or legal business sectors that receive assessment data from Information Systems.

Highlights in 2005/2006

- *Migrating assessment and property tax systems processing:* Continued to implement the long-term plan to increase functionality without increases in system costs, by reducing the use of the IBM mainframe system for assessment and property tax systems processing. With the bulk of the assessment processing migrated to a PC based system, work was completed on redeveloping the property tax system, which will provide much-needed enhancements. To date, this initiative has been very successful, adding significant functionality within existing budget levels.

- *Production of property tax statements:* 2004 property tax statements were printed and distributed for all Manitoba properties outside Winnipeg.

- *Production of property assessment notices and rolls:* 2005 Property assessment notices and rolls were prepared and distributed for all Manitoba properties outside Winnipeg.

- *Geographical Information Systems implementation:* Work was completed on centralizing the storage of all property parcels for use by all Intergovernmental Affairs and Trade staff. Additional functionality was added to the property assessment system to enable customized spatial analysis.

- *2006 Reassessment:* The bulk of 2006 reassessment processing was completed in 2004/2005 beginning with reassessment modeling scenarios and concluding with printing property assessment notices and rolls and tax impact reports.

3(d) Information Systems

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	956.2	8.30	927.1	29.1	
Total Other Expenditures	1,243.6		1,453.1	(209.5)	
Less: Recoverable from Education, Training and Youth	(482.5)		(482.5)		
TOTAL	1,717.3	8.30	1,897.7	(180.4)	

Financial Assistance to Municipalities

Financial Assistance for The City of Winnipeg

The Province provides comprehensive funding support to the City of Winnipeg, administered by Manitoba Intergovernmental Affairs and Trade which includes support for municipal infrastructure and service priorities through the new Building Manitoba Fund, as well as other operating and capital grants to address key City funding pressures. Funding is offset to reflect the cost neutral transfer of the City's income assistance and Ombudsman programs to the Province, and public health services programs to the Winnipeg Regional Health Authority respectively, in accordance with the terms of the transfer.

Support for Municipal Infrastructure and Services (Building Manitoba Fund):

In 2005/2006, the Province established the new Building Manitoba Fund, expanding Manitoba's unique income tax sharing to include new road-related fuel tax revenue sharing, in support of public transit, roads and other municipal infrastructure and services.

Grants provided to the City of Winnipeg through the Building Manitoba Fund in 2005/2006 include:

General Assistance – provides funding support to address municipal service and infrastructure priorities in the City of Winnipeg.

Transit Operating Grant – assists the City of Winnipeg in the operation of its public transit system, including Handi-Transit services.

Transit Capital Grant – assists the City with the purchase of new transit buses.

Roads Grant – supports the City's annual residential and regional street renewal program.

Other Operating Assistance:

Other operating support to the City of Winnipeg through Manitoba Intergovernmental Affairs and Trade includes on-going unconditional funding provided through a share of provincial VLT revenues, as well as new funding for 23 additional City police officers through a share of 5% of net casino revenues generated in Winnipeg. The City also receives a general support grant to offset the cost of the Province's Health and Post Secondary Education tax Levy (payroll tax), along with other program specific support for Dutch Elm Disease control and nuisance mosquito larviciding.

Other Capital Assistance:

Capital grants are provided to the City to support priority infrastructure projects. These grants are intended to provide Winnipeg with greater flexibility and autonomy in capital expenditure decisions, greater certainty in capital funding, as well as to support Manitoba's commitment to municipal infrastructure renewal through a financial partnership between the Province and the City.

In 2005/2006, a total of $8.1 million in capital funding was provided to cashflow projects previously approved for provincial funding under the Urban Capital Projects Allocation (UCPA III) and well as to meet the Province's capital funding commitment to projects in the City's 2003 and 2004 Capital Budgets.

The Province also committed to a new, long-term capital funding framework for the City of Winnipeg starting in 2005/2006. This included $70.0 million in cost-shared funding to be provided over the next six years through the Manitoba / Winnipeg Infrastructure Fund (M/WIF) to meet joint infrastructure funding priorities. It is expected that provincial funding will start to flow to the City in 2006/2007 from this new Fund.

4(a) Financial Assistance for The City of Winnipeg

Expenditures by Sub-appropriation	Actual 2005/06 $	FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
(1) Supporting for Municipal Infrastructure and Services (Building Manitoba Fund):					
General Assistance	49,368.3		49,368.3		
Transit Operating	19,355.4		19,355.4		
Transit Capital	3,840.0		3,840.0		
Roads	6,000.0		6,000.0		
Sub-total	**78,563.7**		**78,563.7**		
(2) Other Operating Assistance:					
Unconditional Program Grant	19,887.5		19,887.5		
General Support Grant	9,204.4		9,116.2	88.2	
Urban Community Development (VLT)	9,857.4		8,820.0	1,037.4	1
Dutch Elm Disease Grant	900.0		900.0		
Mosquito Abatement	1,014.5		1,100.0	(85.5)	
Casino Supported Programs	2,085.0		2,085.0		
Less: Adjustment to reflect Program transfers from the City of Winnipeg	(23,650.0)		(23,650.0)		
Sub-total	**19,298.8**		**18,258.7**	**1,040.1**	
(3) Other Capital Assistance:	8,059.8		8,152.7	(92.9)	
TOTAL	**105,922.3**	**0.00**	**104,975.1**	**947.2**	

Explanation

1. ***Reflects actual 2005 VLT revenues.***

Financial Assistance to Other Municipalities

Support for Municipal Infrastructure and Services (Building Manitoba Fund):

In 2005/2006, the Province established the new Building Manitoba Fund, expanding Manitoba's unique income tax sharing to include new road-related fuel tax revenue sharing in support of roads, public transit (including handi-transit service) and other municipal infrastructure and services. Through the Fund, all municipalities received increased funding support in 2005, and will benefit from future growth in provincial income and fuel taxes.

Grants provided to municipalities through the Building Manitoba Fund in 2005/2006 include:

General Assistance – provides funding support to address municipal service and infrastructure priorities.

Transit Operating Grant – provides operating funding to municipalities to support public transit services, including handi-transit. Two types of grants are provided:

Unconditional transit operating grants to the cities of Brandon, Thompson and Flin Flon to support the operation of their public transportation systems.

Mobility Disadvantaged Transportation Program to support the operation of handivan service in 64 communities in Manitoba to enable mobility disadvantaged citizens to live more independently. Operating funding available to municipalities under this program includes:

- One-time start-up grants of $6,000 to assist sponsoring municipalities with the establishment of new handivan services. In 2005/2006, start-up funding was provided to one municipality that established a new handivan service.

- Annual operating grants based on 37.5% of gross eligible operating expenses (maximum of $20,000 for communities with one vehicle or $30,000 for those with more than one vehicle).

Transit Capital Grant - provides capital funding to municipalities for public transit services. Two types of grants are provided:

Transit Capital Grant of $128,000 was provided to the City of Brandon in 2005/2006 to fund the replacement or refurbishment of transit buses.

Mobility Disadvantaged Transportation Program (in addition to providing annual operating grants) also provides one-time capital grants equal to 50% of the net cost to purchase a handivan to a maximum of $10,000. In 2005/2006, capital grants were provided to two municipalities.

Roads Grant – provides cost-shared capital funding to assist municipalities with the construction or upgrading of eligible municipal roads serving commercial, industrial and major recreational areas within the community.

Other Operating Assistance:

General Support Grants

General Support Grants were provided to 18 Manitoba municipalities in 2005/2006, intended to offset the Province's Health and Post Secondary Education Levy. The grant is distributed to municipalities based on the prior year's actual payroll. Municipalities with actual payroll costs less than $2.0 million received a grant of 4.3% of payroll costs less a $1.0 million payroll exemption. Municipalities with actual payroll costs greater than $2.0 million received a grant of 2.15% of payroll costs.

Rural Community Development

The Rural Community Development Grant provides unconditional support to all municipalities (excluding Town of Winkler and LGD of Mystery Lake) and Northern Affairs communities, funded by a 10% share of net Video Lottery Terminal (VLT) revenues generated in rural communities. In 2005/2006 municipalities received a per capita payment of $17.76. Manitoba Aboriginal and Northern Affairs receives a portion of the VLT funding available for distribution based on the population of the Northern Affairs communities as a percentage of the total Manitoba population, excluding First Nations and the City of Winnipeg. The 2005/2006 payment to Manitoba Aboriginal and Northern Affairs was $179,913.

4(b) Financial Assistance to Other Municipalities

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
(1) Support for Municipal Infrastructure and Services (Building Manitoba Fund):					
General Assistance	36,631.7		36,631.7		
Transit Operating	1,816.7		1,883.7	(67.0)	
Transit Capital	148.0		130.0	18.0	
Roads	1,325.4		1,500.0	(174.6)	
Sub-total	**39,921.8**		**40,145.4**	**(223.6)**	
(2) Other Operating Assistance:					
General Support Grant	1,351.1		1,271.5	79.6	
Rural Community Development (VLT)	9,875.6		8,700.0	1,175.6	1
Sub-total	**11,226.7**		**9,971.5**	**1,255.2**	
TOTAL	**51,148.5**	**0.00**	**50,116.9**	**1,031.6**	

Explanation

1. Reflects actual 2005 VLT revenues.

Grants to Municipalities in Lieu of Taxes

Grants in lieu of taxes are paid to municipalities for provincially-owned properties located within local government boundaries. Grants equivalent to school and municipal taxes are paid on all provincial properties except those that are exempt. Exempt properties include public highways, provincial waterways and land in provincial park or recreation areas.

	GRANTS IN LIEU PAID	
	2004/05($)	2005/06($)
RMs	2,202.5	2,264.1
Villages	37.4	37.8
Towns	1,061.5	1,092.1
LGDs	11.2	10.9
Cities (excluding Winnipeg)	2,858.5	2,881.3
City of Winnipeg	8,120.7	7,499.3
Northern Affairs	149.6	147.5
Agricultural Refunds	(19.7)	(20.7)
Municipalities and Northern Communities	14,421.7	13,912.3

4(c) Grants to Municipalities in Lieu of Taxes

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Grants	13,912.3		15,058.5	(1,146.2)	1
Recoverable	(14,857.5)		(14,857.5)		
TOTAL	(945.2)	0.00	201.0	(1,146.2)	

Explanation

1. ***Actual requirements were lower than anticipated due to the sale of some government-owned properties in the City of Winnipeg and due to a reduction in the 2005 assessed values of some properties as a result of Municipal Board appeals.***

Recoverable From Urban and Rural Economic Development Initiatives

This Program provides for the partial recovery of operating and capital expenditures related to the Mobility Disadvantaged Transit Program from the Rural Economic Development Initiatives Program. Provides for the recovery of expenditures related to the Dutch Elm Program from the Urban Development Initiatives Program.

4(d) Recoverable From Urban and Rural Economic Development Initiatives

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Recoverable	(1,016.0)		(1,055.0)	39.0	

Canada-Manitoba Agreements

Canada-Manitoba Infrastructure Secretariat

The Canada-Manitoba Infrastructure Secretariat administers infrastructure and economic development federal-provincial cost-shared programs supportive of the Department's mandate:

- The following ***Canada-Manitoba Infrastructure Programs (CMIPs)*** provide capital contributions to enhance local infrastructure and thereby strengthen the foundation of local government.
  - The ***Canada-Manitoba Infrastructure Program (CMIP), 2000-2008;***
  - The ***Municipal Rural Infrastructure Fund (MRIF),*** and
  - The ***Canada Strategic Infrastructure Fund (CSIF)***
- The ***Canada-Manitoba Economic Partnership Agreement (EPA)*** strengthens and diversifies Manitoba's economy by building on existing economic strengths, enhancing the skills of Manitoba's workforce and promoting regional development in accordance with two strategic priorities: ***Building our Economy*** and ***Sustainable Communities.***

With these programs, the activities of the Secretariat are in line with the primary roles of the Department – direct service delivery to local governments and co-ordinating federal-provincial program delivery in conjunction with local communities.

Principal Activities in 2005/2006

Staffed with federal and provincial officials, the joint Secretariat minimizes overlap and duplication in federal-provincial program delivery and contributes to a co-operative federal-provincial relationship. The primary responsibility is delivery of the Canada-Manitoba Infrastructure Programs:

- Providing program support to both the federal and provincial Ministers responsible for Infrastructure.
- Managing the local application intake, review, and approval process.
- Overseeing the environmental assessment of projects.
- Facilitating the local government consultative process.
- Administering funding contributions to local government infrastructure projects.
- Co-ordinating public information activities.

As mentioned, the Secretariat is also responsible for provincial EPA delivery. Unlike CMIP, federal and provincial EPA delivery is administered separately by respective governments.

The cost-shared agreements are the main vehicles of major federal and provincial funding support to infrastructure and economic development projects throughout the Province.

Highlights in 2005/2006

For further information relating to CMIPs and EPA 2005/2006 highlights and project approvals, refer to the separate Annual Reports published for each.

Canada-Manitoba Infrastructure Program (CMIPs)

Manitoba contributes funding to infrastructure projects through three Canada-Manitoba Infrastructure Programs:

1. Canada-Manitoba Infrastructure Program (CMIP), 2000-2008;
2. Municipal Rural Infrastructure Fund (MRIF), and
3. Canada Strategic Infrastructure Fund (CSIF)

The federal-provincial funding enhances community public infrastructure. Provincial participation in the federal-provincial agreements provides support to local infrastructure on a multi-year basis, enabling predictable and ongoing municipal infrastructure support.

The CMIPs are application-based, multi-year programs supporting enhancements to Manitoba's urban, rural, and northern municipal infrastructure. Through the construction, renewal, expansion or material enhancement of infrastructure throughout Manitoba, the CMIPs are improving the quality of life for all citizens and building the foundation for sustained long-term economic growth in the 21st century.

The CMIPs continue a history of investment collaboration and partnership between, Canada, Manitoba and local governments on enhancements to infrastructure. CMIPs are funded by equal contributions from the federal government, Manitoba government, and community partners such as local governments and other community organizations in the private and non-profit sectors. Project proponents incur and pay 100 percent of the project costs up front, and are reimbursed by the federal and provincial governments for up to two-thirds of the approved funding total.

A Federal-Provincial Local Consultative Committee (FPLCC) on Infrastructure was established to assist in the review of project funding. Projects outside of Winnipeg are reviewed by officials from the Association of Manitoba Municipalities and the Northern Association of Community Councils, while projects inside Winnipeg are reviewed by officials from the City of Winnipeg.

Green municipal infrastructure is an important priority. This includes projects that will protect and/or enhance the quality of our environment, such as water and wastewater systems, water management, solid waste management, recycling, public transit, and environmental energy improvements. Other local infrastructure is also eligible, including local transportation infrastructure, cultural and recreational infrastructure, infrastructure supporting tourism, and connectivity.

MRIF is primarily targeted to local infrastructure in rural and northern Manitoba.

CSIF projects are large scale, strategic urban infrastructure projects, beyond the funding capacity of the MRIF program.

A separate Annual Report on the Canada-Manitoba Infrastructure Programs is prepared each fiscal year.

5(a) Infrastructure Programs

Expenditures by Sub-appropriation	Actual 2005/06 $	FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Infrastructure Programs	20,051.8	7.00	17,714.4	2,337.4	1

Explanation

1. Proponents submitted claims more quickly than anticipated.

Canada-Manitoba Economic Partnership Agreement (EPA)

Under the Canada-Manitoba Economic Partnership Agreement, the governments of Canada and Manitoba are working together and in partnership with community stakeholders on two strategic priorities – ***Building our Economy*** and ***Sustainable Communities*** – to enhance the skills of Manitoba workers and promote economic growth and diversification in Manitoba.

Building on existing economic strengths, Canada and Manitoba will work co-operatively through this agreement to:

- advance innovative research and development, and technology commercialization in Manitoba;
- support industry-based infrastructure, improve competitiveness and productivity, increase trade capacity, development and promotion, and foster an environment that attracts investment;
- support the development of a skilled workforce;
- increase access to knowledge-based infrastructure;
- promote local tourism and natural resource development opportunities;
- encourage the participation of all community members in the economy to enhance the viability, sustainability, and growth of communities throughout Manitoba.

This agreement, signed December 1, 2003, provides $50.0 million for programs and projects over five years, made up of matching contributions of $25.0 million each from Canada and Manitoba.

Partnered initiatives under each priority area may take the form of capital projects, pilot projects, business plan development, market-related research, innovative research, and so on.

A separate Annual Report on the Canada-Manitoba Economic Partnership Agreement is prepared each fiscal year.

5(b) Economic Partnership Agreement

Expenditures by Sub-appropriation	Actual 2005/06 $	FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Economic Partnership Agreement	2,452.7		5,168.0	(2,715.3)	1

Explanation

1. ***Proponents did not submit claims as forecasted as construction proceeded more slowly than anticipated. The under expenditures were transferred to other approved CMIP projects.***

Winnipeg Partnership Agreement (WPA)

The five-year, $75.0 million, Canada-Manitoba-Winnipeg Agreement for Community and Economic Development (known as the Winnipeg Partnership Agreement or WPA) was signed in May 2004, to promote the long-term sustainable community and economic development of the city of Winnipeg. Its aims are to address Winnipeg's economic challenges and to build on opportunities that ensure the development of a vibrant, prosperous, and healthy city – a city that values diversity and provides all of its citizens with opportunities for full participation in the economy and society. The WPA is comprised of four core component programs: *Aboriginal Participation; Building Sustainable Neighbourhoods; Downtown Renewal; and Supporting Innovation and Technology.*

The Winnipeg Partnership Agreement provides financial support for projects whose aims and objectives reflect those of its component programs. A small WPA office provides information to the public and facilitates collaboration among the three levels of government, the WPA's component programs and project proponents.

Principal Activities in 2005/2006

- Officials of the three governments, with input from the community, worked on developing and implementing the four WPA component programs.

Highlights in 2005/2006

- To date, the three WPA partners have committed a total of almost $23.0 million for 100 projects, with approximately $73.0 million levered from other funders and in-kind contributions for a total estimated value of $96.0 million.

- The Social Economy and Community Development Committee of community stakeholders was established to advise in the implementation and delivery of the Social Economy and Community Development activity area of the Building Sustainable Neighbourhoods component.

- In 2005/2006, the WPA approved 48 projects, as follows:

Aboriginal Participation	30 projects	WPA commitment	$4,293,262
Building Sustainable Neighbourhoods	6 projects	WPA commitment	$992,790
Downtown Renewal	7 projects	WPA commitment	$777,500
Supporting Innovation and Technology	5 projects	WPA commitment	$8,856,574

5(d) Winnipeg Partnership Agreement

Expenditures by Sub-appropriation	Actual 2005/06 $	FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Winnipeg Partnership Agreement	1,561.7	2.00	2,000.0	(438.3)	1

Explanation

1. ***The under expenditure was due to this being the first full year for the program and it was still in the start-up phase.***

Urban Strategic Initiatives

Overview

Urban Strategic Initiatives develops and implements policies and programs in support of urban revitalization, downtown renewal and community economic development in the City of Winnipeg, both provincially and in partnership with other governments and community partners. It co-ordinates overall strategic and financial assistance to the City of Winnipeg in support of sustainable infrastructure and economic development. It implements, supports and facilitates the Winnipeg Partnership Agreement. It co-ordinates and delivers neighbourhood programming under the Building Communities Agreement (with the City of Winnipeg) and the Neighbourhoods Alive! Initiative, a long term, comprehensive, community-based approach to providing the residents and other stakeholders with the tools they need to rebuild vulnerable urban neighbourhoods in Winnipeg, Brandon and Thompson.

Neighbourhoods Alive! (NA!)

The Neighbourhoods Alive! (NA!) initiative supports community-driven revitalization of designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park, Point Douglas, and as of 2005/2006 St. John's, Dufferin, Centennial, West Alexander, North Portage, Daniel McIntyre and St. Matthews), Brandon (City Centre) and Thompson. It provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff is responsible for the overall co-ordination of the initiative, including direct implementation of three of the six NA! programs.

Principal Activities in 2005/2006

- The Neighbourhoods Alive! unit administered the following three NA! programs:
- *Neighbourhood Renewal Fund:* Supports a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assist neighbourhood capacity building, stability, economic development and well-being.
- *Community Initiatives:* Supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city.
- *Neighbourhood Development Assistance:* Provides start-up and long-term core operating support for Neighbourhood Renewal Corporations (NRCs) that implement community economic development within neighbourhoods designated under Neighbourhoods Alive!
- Under Neighbourhoods Alive!, the Department also supports training initiatives that are developed and delivered by other departments, in partnership with community organizations and educational institutions.

Highlights in 2005/2006

- An extension of Neighbourhoods Alive! was approved and commenced in 2005/2006 into seven additional high needs neighbourhoods in Winnipeg.
- The Neighbourhoods Alive! initiative committed over $3.6 million for 82 projects that support the revitalization of neighbourhoods in need in Winnipeg, Brandon and Thompson. Details of these projects by neighbourhood are available on the Neighbourhoods Alive! website at www.neighbourhoodsalive.mb.ca.
- Neighbourhoods Alive! administered and monitored 134 project grants in 2005/2006.

- Neighbourhoods Alive! staff continued to provide support and advice to numerous community organizations in the designated neighbourhoods and consulted and co-ordinated revitalization activities with other departments and governments.

- From its inception in 2000 to March 31, 2006, 453 Neighbourhood Alive! projects were initiated at an estimated value of almost $46.0 million. Of this total, $19.0 million came from Neighbourhood Alive! and more than $25.0 million was leveraged from other funders and in-kind contributions.

- The Neighbourhoods Alive! website, which provides program and project information and access to a variety of planning and project development tools, was maintained and updated.

6(a) Neighbourhoods Alive!

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	228.7	3.00	215.4	13.3	
Total Other Expenditures	84.9		88.1	(3.2)	
Total Neighbourhood Support	3,544.7		3,692.1	(147.4)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,440.9)		(1,482.3)	41.4	
TOTAL	2,417.4	3.00	2,513.3	(95.9)	

Neighbourhood Programs

The Neighbourhood Programs Branch researches, develops, implements and co-ordinates sustainable and integrated provincial urban public policy and programs in support of neighbourhood revitalization and community economic development.

Principal Activities in 2005/2006

The Neighbourhood Programs Branch developed and delivered neighbourhood revitalization programs and provincial urban public policy in support of neighbourhood revitalization and community economic development. The Branch liaised extensively with other provincial departments, other levels of government and key stakeholders in the community.

- The Branch continued to co-ordinate the delivery of Neighbourhoods Alive!, the Province's long-term, comprehensive and community-driven revitalization initiative that supports community development in designated vulnerable neighbourhoods in Winnipeg, Brandon and Thompson.

- The Branch continued to co-ordinate provincial implementation of the Building Communities Agreement, a five-year $14.0 million, cost-shared capital agreement with the City of Winnipeg to improve the physical condition of declining residential neighbourhoods that shoulder Winnipeg's inner city. Implementation of projects identified through a community-led strategic planning process proceeded in all six designated neighbourhoods.

6(b) Neighbourhoods Programs

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	309.1	5.00	318.1	(9.0)	
Total Other Expenditures	44.6		49.8	(5.2)	
TOTAL	353.7	5.00	367.9	(14.2)	

Urban Community Economic Development

The Urban Community and Economic Development Branch provides an urban redevelopment policy framework for provincial investment in strategic downtown revitalization projects and economic and community development initiatives in the City of Winnipeg, and administers Urban Development Initiatives (UDI). The Branch supports economic and community economic development initiatives within Winnipeg that enhance opportunities for developing long-term capacity and for supporting the integration of social, economic and environmental objectives.

Principal Activities in 2005/2006

The Branch supported local organizations in strengthening their capacity to develop and deliver community economic development initiatives. It also provided financial support to a variety of organizations/programs whose activities promote the revitalization and development of the City of Winnipeg. It also administered UDI, a fund that supports projects and initiatives that enhance Winnipeg's development by providing access to capital and program assistance to community-based organizations and City of Winnipeg economic development agencies (CentreVenture Development Corporation, Destination Winnipeg, and the Winnipeg Convention Centre). The UDI funding in each fiscal year is based on 25% of the anticipated VLT revenues generated within the City of Winnipeg.

- Urban Development Initiatives provided over $22.0 million in funding for 48 projects and activities in support of community and economic development in Winnipeg.

- In partnership with the federal government and the City of Winnipeg, the Branch continued implementation of the Winnipeg Partnership Agreement, a tripartite community and economic development agreement for Winnipeg. The agreement focuses resources on four key priority areas: Aboriginal Participation; Building Sustainable Neighbourhoods; Downtown Renewal; and Supporting Innovation and Technology.

- The Branch established and maintained effective partnerships with both municipal and federal governments through the development and implementation of joint agreements and the co-ordination of complementary policies and programs.

6(c) Urban Community Economic Development

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	262.1	4.00	282.1	(20.0)	
Total Other Expenditures	48.5		54.9	(6.4)	
Less: Recoverable from Urban Development Initiatives	(282.8)		(297.6)	14.8	
TOTAL	27.8	4.00	39.4	(11.6)	

Urban Development Initiatives (UDI)

Winnipeg has one of the most diverse economies in Canada, with steady growth and a low cost of living. UDI supports projects and initiatives that enhance Winnipeg's development. It also provides program assistance to community based organizations and City of Winnipeg economic development agencies. The level of funding each fiscal year is based on 25% of the anticipated annual VLT revenues from within the City of Winnipeg. This funding is in addition to the financial support provided directly to the City of Winnipeg by Intergovernmental Affairs and Trade – Municipal Finance and Advisory Services.

6(d) Urban Development Initiatives

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Expenditures	22,041.9		22,050.0	(8.1)	

SECTION II
TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

Federal-Provincial and International Relations

Federal Provincial Relations

The Office of Federal-Provincial Relations provides strategic policy advice, analysis and support in managing Manitoba's relationships with the federal government and other provincial and territorial (PT) governments on matters of intergovernmental significance. The branch promotes Manitoba's interests in the development of interprovincial/territorial positions and policies by working with other provinces and territories, and with the Government of Canada in the development and implementation of its national policies.

A major dimension of Federal-Provincial Relations' role is to ensure a consistent corporate strategy and position is taken regarding Manitoba's priorities for action in the intergovernmental arena, as well as to ensure that members of the Government of Manitoba have adequate and timely information on the implications resulting from national and regional trends and the implementation of programs and policies by other PT governments and by the federal government.

Principal Activities in 2005/2006

In 2005/2006, the office's activities included the following:

- Provided comprehensive and strategic briefing materials in support of meetings of First Ministers, the Council of the Federation, the Western Premiers' Conference, and a broad range of bilateral and multi-lateral meetings between the Premier and the Prime Minister, federal Ministers, and other Premiers.
- Implemented Cabinet's direction on a plan dealing with Manitoba's strategic federal-provincial priorities.
- Collaborated with other provinces and territories to support Premiers' and provincial/territorial Finance Ministers' work to encourage the federal government to address fiscal imbalances in Canada.
- Represented Manitoba at federal-provincial and interprovincial Deputy Ministers' and senior officials' meetings and on a number of committees that prepare for major intergovernmental conferences.
- Reviewed and evaluated policy and program initiatives as they relate to intergovernmental relations and acted as a liaison in providing strategic policy advice on relations with the federal government and other provinces and territories.
- Co-ordinated interdepartmental activities on intergovernmental policies and issues.
- Co-ordinated Manitoba's efforts at the First Ministers' Meetings (FMM) on Aboriginal Issues in November 2005.

Highlights in 2005/2006

The increased collaboration of and activism by Premiers that was precipitated by the establishment of the Council of the Federation (COF) in 2003 continued in 2005/2006, with the COF meeting on three occasions, in August and November 2005 and February 2006. The COF also met with the Prime Minister in February 2006 and First Ministers and National Aboriginal Leaders met in Kelowna in November 2005. Western Premiers met in May 2005.

At the 2005 Western Premiers' Conference (WPC) held in Lloydminster, AB on May 4-6, 2005, western Premiers discussed the economic development challenges facing western Canada and the nation and agreed that the top priorities must be major improvements in transportation infrastructure, trade and training and post-secondary education. They also addressed other pressing issues, including the alarming spread of crystal meth across the country.

Having secured a long-term agreement with the federal government on health care financing after the 2004 summer conference of the COF, the August 10 – 12, 2005 summer conference held in Banff, Alberta provided an opportunity for the COF to turn its attention to addressing a broad spectrum of priority issues, including: skills training and post-secondary education, a national pharmaceutical strategy, crystal meth, fiscal imbalance, transportation/infrastructure, Canada-US relations, international markets and energy.

Aboriginal issues were at the forefront of the Branch's activities for much of the year, with work proceeding on multiple fronts to prepare for a meeting of First Ministers with National Aboriginal Leaders in November 2005. The First Ministers' and Aboriginal Leaders' Agreement reached at this meeting set out a series of concrete commitments by all parties in the areas of relationships, housing, economic opportunities and education and laid out a long-term dedicated effort to strengthen relationships and close the gaps in quality of life between Aboriginal and non-Aboriginal Canadians. As part of this preparation process, Premiers met with the five national Aboriginal leaders in Calgary in August 2005.

The COF's focus on skills training and post-secondary education was reflected in their decision to discuss funding issues with Finance, Post-Secondary Education and Labour Market Ministers and to hold a Summit with stakeholders from across the country to examine key issues and challenges being faced in this area. The results of this Summit, which was held at the end of February 2006, were to guide Premiers in the development of a pan-Canadian strategy on Post-Secondary Education and Skills. Subsequent to the federal election, Premiers met the new Prime Minister in Ottawa in February to establish a positive working relationship with the new federal government.

Other Highlights

The branch continued its work supporting Manitoba-led items on the COF workplan. In 2005/2006, Manitoba continued to focus on resolving long-standing issues related to domestic trade, an ongoing effort co-led by Premier Doer and Premier Lord of New Brunswick.

On December 5 – 6, 2005, Premier Doer and Premier Charest co-hosted the Climate Leaders' Summit in Montréal, which brought together the heads of government of federated states and regions and representatives of major corporations from around the world to present their best greenhouse gas (GHG) reduction initiatives and demonstrate the economic and social benefits associated with these innovative practices. The Summit was held in conjunction with the 11th Conference of Parties (CoP11) to the United Nations Framework Convention on Climate Change and resulted in a *Declaration of Federated States and Regional Governments on Climate Change*, which outlined a significant series of commitments by the participating governments to take to address climate change.

The federal election that occurred in January 2006 and resultant change of government necessitated renewed efforts on a number of fronts to promote Manitoba's needs and priorities with the new national government. These priorities included the national child care agreement, the Labour Market Partnership Agreement, the First Ministers' and Aboriginal Leaders' Agreement reached in November 2005, and specific bilateral initiatives and the branch continued its work in support of these priorities.

The branch also collaborated with other provinces and territories to promote stronger multilateral relations with sub-national governments from other countries, such as Australia.

Preparations for the 2006 Western Premiers' Conference were a focal point for the branch during the 2005/2006 fiscal year, as Manitoba was responsible for hosting the 2006 Western Premiers Conference early in the 2006/2007 fiscal year.

Canada-US and International Relations

Principal Activities in 2005/2006

Corporate Co-ordination

Canada-US and International Relations worked in concert with other departments to ensure a corporate and strategic approach to the province's international activities. It ensured co-operation, communication and co-ordination within Government of Manitoba departments, other international governments and agencies, and the federal government.

International Projects Initiative

The International Projects Initiative (IPI) was started in 2001 to assist Manitoba companies and organizations to pursue projects financed by the Canadian International Development Agency (CIDA) and International Financial Institutions (IFIs) such as the World Bank, the Inter-American Development Bank, the Asian Development Bank, the European Bank for Reconstruction & Development, the African Development Bank and the Caribbean Development Bank. The International Projects Initiative identified Manitoba's niche capabilities and developed alliances/consortia and public/private partnerships around these capabilities to maximize success rates in bidding for international projects. This unit assisted the Manitoba private sector to make successful international connections by building upon the many government-to-government relationships that Manitoba has nurtured and supplemented private sector capabilities with expertise that already exists within the Government of Manitoba. The unit also worked with the IFIs to promote Manitoba's capabilities and to identify financial programs and facilities for international projects. The Initiative brought CIDA and IFI speakers to Manitoba to meet with Manitoba companies and organizations.

Highlights in 2005/2006

The 2005/2006 achievements of the Canada-US and International Relations Branch include:

- Publicly released "Reaching Beyond Our Borders – The Framework for Manitoba's International Activities" in January 2006.

- Engaged a representative in Washington DC to advocate Manitoba's interests related to key policy issues, such as the Devils Lake Outlet, and monitored emerging policy trends that may impact Manitoba.

- Provided strategic advice and support on key policy initiatives such as:
  - Manitoba's opposition to the Devils Lake Outlet, including advocacy meetings with numerous U.S. Governors and Congressmen, Ambassadors, and senior representatives from the U.S. Administration and the Canadian Government, including the Prime Minister;
  - Manitoba's response to the Western Hemisphere Travel Initiative (WHTI) – the U.S. Government's proposed "passport initiative" – including stakeholder roundtables, developing a formal response, a joint statement with North Dakota, and ongoing advocacy efforts;
  - Harmonized the scheduling of Daylight Savings with the U.S., given the interdependence of the two economies.

- Hosted legislators from Minnesota, North Dakota and South Dakota at the annual Legislators' Forum in Winnipeg, Manitoba in June 2005.

- Provided briefing materials and strategic support to missions to the U.S., including New York, Texas, and Washington DC, and other international destinations such as Australia, France, India, Israel, and Russia.

- Supported Manitoba's participation in international fora such as Hemispheria (May 2005), BIO (June 2005), the Western Governors' Association (June 2005), the Midwest Governors' Association (June 2005), the Midwestern Legislative Conference (August 2005), the North America Works Conference (October 2005).

- Provided briefing materials in support of incoming visits by foreign dignitaries such as the President of China; the Prime Minister of Iceland; Ambassadors/High Commissioners from Britain, France, Iceland, Israel, Switzerland, and the United States; the U.S. Assistant Secretary of State; Mayors from India; and various Consuls General.

- Supported existing francophone relations such as Manitoba's relationship with the Alsace Region of France, and explored new relations with other French-speaking nations such as Senegal.

- Maintained close relationships with officials in the federal department of Foreign Affairs on issues such as Canada-U.S. advocacy efforts, the Security and Prosperity Partnership, Summit of the Americas, G8, OECD, and co-ordinated Canada's relief efforts for regions affected by disasters such as the tsunami, the earthquake in South Asia, the Philippine floods and Hurricane Katrina.

- Enhanced co-operation and co-ordination between departments involved in international relations, including the review of new international agreements, including the:
  - Supporting Memorandum to the "Protocol Among the Members of the Midwest Governors Association Regarding the Permitting and Siting of Interstate Electric Transmission Lines in the Midwestern United States" (July 16, 2005);
  - Orkney-Manitoba Memorandum of Understanding on Friendship and Co-operation (August 16, 2005);
  - Declaration of Intent between the Province of Manitoba, Canada, and the Chuvash Republic of the Russian Federation on Agricultural Development (October 6, 2005);
  - Memorandum of Understanding on Inland Port Development between Kansas City SmartPort, Inc., USA and the Province of Manitoba, Canada (October 14, 2005);
  - Letter of Understanding between the Province of Manitoba and the Confederation of Indian Industry, Northern Region (February 13, 2006); and
  - Letter of Understanding on Collaborative Educational Initiatives between the Province of Manitoba, Canada and the Delhi Public School Society (February 14, 2006).

- Supported Manitoba's participation in international development projects and international aid through continuing the partnership with the Institute of Public Administration Canada (IPAC) and the Canadian International Development Agency (CIDA) in delivering the Public Sector Capacity Building for Governance and Social Development Program:
  - Participated in one outgoing mission and hosted two incoming missions from the Philippines on regional and local government development;
  - Continued relationship development efforts with the Philippines Local Government Academy of the Philippines Department of the Interior and Local Government through participation in this project;
  - This project is scheduled to end in August 2006. Based on the results thus far and the positive evaluation of the project, CIDA Philippines has asked that the work started in this project be continued. In March 2006, IPAC submitted a proposal to CIDA to develop a new project in the Philippines (Public Sector Capacity Building for Good Governance and Sustainable Development). Manitoba was asked to participate in the new project;
  - Provided oversight on the Manitoba-Trinidad & Tobago project which concluded in February 2006 after 14 years. The partnership model developed in Manitoba is viewed as unique and highly effective, and has positively influenced IPAC's approach to new proposal development; and
  - Evaluated proposals put forward by IPAC, the Association of Universities of Canada (AUCC) and other international executing agencies requesting Manitoba's participation in international development projects (Ukraine, Russia).

- Continued development of the international projects initiative (IPI), a project that supports Manitoba companies' access to international development work, including:
  - Prepared over 50 international development opportunity reports. These reports provided details on upcoming projects and procurement notices for projects being implemented by the World Bank, and other international financial institutions;
  - Leaded a mission to the Nile Basin with Manitoba companies with the aim of participating in a project that looks to resolve some significant trans-national water issues;
  - Arranged (or assisted the federal government to arrange) three seminars for Manitoba companies (involving over 40 individuals) dealing with international financial institutions, the Canada International Development Agency (CIDA) and other countries aid agencies;
  - Arranged two missions to Washington DC for training and made contacts with the key players in the World Bank and other financial institutions; and
  - Supported the role of Private Sector Liaison Officer as the point of contact between the Manitoba Government, Manitoba businesses and the World Bank.

International Education

The International Education Branch (IEB) was formed to promote global awareness/competency, increase the cross-cultural exposure of Manitobans; maximize the benefits of international education to the Manitoba economy; encourage an approach to international education that engages all levels of education, stakeholders, fields of study/training, and all regions of Manitoba; and enhance international recognition of Manitoba as an excellent source of high quality, affordable education and training programs and services.

The IEB continued to serve as a first point of contact for international education matters, develop international education policy, and respond to inquiries and requests from international students, agents, and institutional partners. The IEB also liaised with institutions and organizations to co-ordinate recruitment, offer marketing assistance, and develop partnership strategies for the export of education services and products.

International student enrolments grew approximately 15% year-over-year despite a highly competitive international environment. The estimated economic impact from these students is over $50.0 million annually.

Highlights in 2005/2006

The IEB continued to carry out its responsibilities under the agreements with Citizenship and Immigration Canada and Manitoba public post-secondary institutions to allow international students to work off-campus. In 2003/2004, it was noted that the project expected to attract more international students to Manitoba and serve as a template for national implementation. On April 27th, 2006, Citizenship and Immigration Canada formally launched the off-campus work program across Canada.

Marketing and Promotions
The IEB continued to promote Manitoba as a provider of affordable and high-quality education services. The IEB has developed a comprehensive web-site to complement its paper-based promotional materials. The site not only targets international students, but also provides information on international education opportunities for domestic students, faculty, international education administrators and the public.

India and the United Arab Emirates will continue to be main targets for market development at the post secondary level for 2006. Several destinations in Europe are being examined for student recruitment at the secondary level and a full-sector mission to Japan is anticipated for Spring 2007. The IEB will continue researching the potential for emerging markets and markets that are difficult for institutions to access on their own.

Biennial familiarization tours for educational agents who send students overseas will also be established, providing these agents the opportunity to see first-hand the wide variety of opportunities available to students in Manitoba.

Co-operation on International Education
The IEB, Foreign Affairs Canada (FAC) and International Trade Canada (ITCan) completed a joint pilot project to co-ordinate Web services for international students. FAC and ITCan worked with CIC, Human Resource and Skills Development Canada and other federal departments to provide co-ordinated information on studying in Canada, choosing a school, and applying for a visa. The next phase of the project involves partial online processing of applications which should be commenced in late 2006.

The number of schools overseas that offer the Manitoba curriculum is increasing. In addition to three schools in China, one in Thailand and one in Japan, three more were recently added: two in Cairo, Egypt, and one in Istanbul, Turkey. The school in Istanbul is the first to offer a Canadian curriculum in that country. Further possible schools are being considered. These schools raise the Manitoba profile and prepare students to enter post-secondary institutions in the province.

The IEB is drafting a comprehensive International Education Strategy to complement the Government's international strategy. This document will provide an overall framework for government activity in the international education sector.

Capacity Building
The IEB efforts to build provincial capacity for international education initiatives continue. Several presentations and meetings have taken place with Manitoba educational representatives in an effort to provide information on how to enter the international education field. Work on expanding institutional capacity proceeds through professional development sessions designed to develop expertise in the field. The IEB is also working closely with educational institutions to develop standardized legal documents and orientation handbooks for international students; in addition to providing a common approach to some risk management practices, these documents can also be of assistance to educational institutions who are launching a new international education program.

Protocol Office

Principal Activities in 2005/2006

The Protocol Office provided leadership and co-ordination in Government ceremonial, protocol and diplomatic activities, including:

- Provides a consulting and advisory service for Government departments, agencies, municipalities, organizations and the general public on international protocol practices, visits, the diplomatic and consular corps, precedence, forms of address, symbols, ceremonial, dress and etiquette;
- Plans and conducts official ceremonies such as the installation of the Lieutenant Governor, Opening of the Legislature and Cabinet Swearing-In ceremonies and state hospitality;
- Plans and conducts official visits to the Province of the Sovereign, members of the Royal Family, the Governor General, heads of state and government, foreign ministers, heads of diplomatic missions and other VIPs;
- Acts as Manitoba's principal point of contact for the numerous countries that comprise Manitoba's Consular Corps, including familiarizing diplomats with local/regional economic, social and cultural situations and policies of the province;
- Serves as secretariat to the Order of Manitoba Advisory Council, providing support in all aspects of the selection process and all media and logistical co-ordination related to the investiture;
- Provides support to the Order of the Buffalo Hunt award program;
- Develops and manages the provincial gift bank (Premier) and policy;
- Provides event and conference secretariat support to the Premier's Office and Government Ministries; and
- Provides logistical support for international trade missions led by the Premier.

Highlights in 2005/2006

Received the Governor General of Canada and the Prime Minister of Canada.

Received diplomatic visits from:

- the Prime Minister of Iceland;
- the British High Commissioner;
- the Ambassadors of France, Iceland, Israel, Russia, Switzerland, and the United States of America;
- the Consul Generals of El Salvador, India, Israel, Korea, and Portugal; and
- the Mayor of Reykjavik, Iceland, as well as several Mayors from communities in India.

Planned, organized and delivered on several special events such as:

- the Recognition and Reception of Veterans in the Legislative Chamber (Year of the Veteran);
- the VE- Day 60th Anniversary March at Legislature and Reception at Via Rail Station;
- the WWII Medal Display and Book of Thanks to Veterans; and
- Scotia Bank's Shareholder Reception for Royal Winnipeg Ballet and the Winnipeg Symphony Orchestra.

Assisted in the preparation of and participated in the Premier's Trade Mission to India as well as the Premier's participation at Bio 2006 in Chicago.

Consulted on the opening of the Republic of Hungary Consulate Office.

Organized Former Premier Gary Filmon's Portrait Unveiling.

Co-ordinated the Order of Manitoba Investiture.

Planned and managed the 9/11 Memorial Ceremony at the International Peace Garden.

7(a) Federal, Provincial and International Relations

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,392.0	15.30	1,409.3	(17.3)	
Total Other Expenditures	927.0		847.8	79.2	
TOTAL	2,319.0	15.30	2,257.1	61.9	

Manitoba Trade

Manitoba Trade and Investment supports Manitoba businesses to become export-capable and to diversify in international markets by delivering targeted programs and services. It also promotes Manitoba investment opportunities to increase inward investment and employment.

The Policy, Planning and Co-ordination Branch of the Department of Industry, Economic Development and Mines provides analytical, advisory and research support services to the Deputy Minister of Federal-Provincial and International Relations and Trade. This includes undertaking analysis of policy issues, including internal trade and trade policy.

Principal Activities in 2005/2006

Manitoba Trade and Investment provided a variety of trade-related services, summarized in the following chart.

Summary of Services

General Information	Skills Development	Export Counselling	Market Entry Support	In-market Assistance
Toll-free export information service	Export preparation guide	Export-readiness assessment	Market information and informational sessions	Market prospects
Website	Export skills training	Market readiness assessment	Trade fairs/shows	Key contacts search
	Preparation for U.S. market	Export plan development	Trade missions	Visit information
General seminars	Preparation for other markets	Export plan implementation	Partner identification	Direct contacts
			Market intelligence	Local company information
			Advocacy	Troubleshooting
			Reverse trade shows, incoming missions	Government and business liaison
			Trade show/promotional material/website support (TAP)	

In May 2004, Manitoba Trade and Investment launched the Exporter Development Initiative (EDI). Core objectives of the EDI are to increase the number of Manitoba companies active in international markets and to assist in the diversification of their export markets, resulting in an overall increase in the value of Manitoba's exports. Through collaboration with Manitoba's trade partners and an industry outreach program, strategic trade plans are being developed for priority sectors. The sector trade plans are, in part, identifying priority markets where Manitoba companies have significant interest and opportunities. Along with increased support for domestic activities, including trade shows, seminars, incoming buyers and match-making events, an increased emphasis has been placed on enhanced market intelligence and focused business missions to countries identified as having the highest potential for Manitoba companies.

Under the EDI, Manitoba Trade and its partners initiated a targeted outreach program in 2005/2006 to the business communities in rural Manitoba. Information sessions and one-on-one meetings were conducted in Morden, Beausejour, Brandon and Dauphin. Going into fiscal 2006/2007, four additional rural outreach programs are being planned. The importance of exporting was highlighted and the path to follow to access the information/support needed to become export-ready or diversify markets was outlined. In addition, companies with an interest and capability to consider exporting were identified, and consulting has begun with those companies.

Manitoba Trade and Investment will continue to look at Canadian domestic market events to support our new exporters and is in the planning stages for reciprocal business networking events with development agencies in Grand Forks and Fargo, North Dakota.

Agriculture Marketing

Agriculture and food are very important to the Manitoba economy, representing $3.0 billion of Manitoba's total exports in 2005. The Agriculture Marketing Unit provides international marketing assistance to buyers and sellers of Manitoba's agriculture and food products. Through the co-ordination of trade activities, including the provision of logistical support and network contacts, the Unit employs a comprehensive approach to export market development. The Unit also advances and co-ordinates Manitoba's trade development interests through participation in federal-provincial agri-trade committees and organizations such as Agri-Trade Team Manitoba, Federal-Provincial Market Development Council, the federal-provincial trade development teams for the majority of Canada's priority markets, the North American Agricultural Marketing Organization, the Canadian Agricultural Marketing Association, and the North American Buckwheat Promotion Committee.

Several significant projects were undertaken through the year which included:

- Two outgoing missions to Mexico. These missions included accompanying companies to Alimentaria Mexico in May 2005 and participation in the second Canada/Mexico Bean Congress in December 2005. Incoming missions throughout the year included groups of bean growers from the states of Guanajuato and San Luis Potosi as well as the Secretary of Rural Development from Jalisco.
- A business mission led by Minister Rosann Wowchuk to the European Union, with meetings in Austria, The Netherlands, Germany, Russia and Italy in October 2005. The mission focused on functional foods and nutraceuticals, organics and biomass projects, and featured stops at the Anuga Trade Show in Germany, the Golden Autumn Trade Show in Russia, and the International Meat Conference in Italy.
- Participation in the Japan Agri-Food Investment Mission in March 2006, organized by Agriculture and Agri-Food Canada and the Canadian Embassy in Japan, which included presentations to dozens of potential investors in Tokyo and Osaka.
- Participation at the World Dairy Expo in October 2005.
- Participation at the Midwest Horse Fair in April 2005 in Madison, Wisconsin, with producers from Manitoba's Holstein breeders and horse breeders, as well as Manitoba Forage Council members.
- Collaborating in the formation of the Agri-Trade Team Manitoba with partners (MAFRI, AAFC, Canada Manitoba Business Service Centre and Western Diversification) to unify Manitoba's agriculture trade activities.
- Organization and participation in numerous incoming missions relating to either trade or investment in many sectors of the agriculture and food industry.

Asia and Europe

Asia-Pacific – Manitoba exports to the Asia-Pacific region totalled $1,275.4 million in 2005, a decrease of $68.4 million from the previous year. The largest decrease of exports within the region was to China at $147.5 million. For the region as a whole, exports of wheat decreased from $342.7 million to $246.1 million, and nickel from $407.2 million to $328.7 million. Japan, China/Hong Kong, and Australia are Manitoba's primary target markets within the region.

Manitoba's exports to the Pacific Rim accounted for 13 percent of total exports. Within the region, 83.3 percent of exports went to Manitoba's four largest regional markets – China/Hong Kong, Japan, Australia and South Korea.

The ASEAN (Association of Southeast Asian Nations) markets constituted the second-largest concentration of exports in the region at 11.3 percent. Manitoba exports to ASEAN totalled $144.0 million in 2005, a decrease of 3 percent from 2004. Leading exports were wheat at $77.2 million and unwrought nickel at $33.1 million. The other markets in the Pacific Rim accounted for 4.7 percent of Manitoba exports region or $70.6 million in exports.

Australia – Australia is Manitoba's ninth-largest export market with exports of $64.9 million. The bulk of Manitoba's exports to Australia were value-added goods, making it the largest value- added export market in the Pacific Rim, next to Japan, for Manitoba products.

China/Hong Kong – As Manitoba's third-largest export market, exports to China/Hong Kong of $373.7 million in 2005 reflected a decrease of 33 percent, compared to $563.1 million in 2004. The decrease in exports related to a reduction in nickel and wheat.

In fiscal 2005/2006, Manitoba Trade and Investment participated in the following:

- Manitoba booth at the Trade and Investment Expo in Hefei, China in May 2005, and co-ordination of follow-up visits to Bengbu, Shanghai and Beijing.
- China Forum for Investment and Trade in September 2005 in Xiamen, with a Manitoba booth as part of a Canada Stand at the annual show and conference, and co-ordination of the visit by Minister Jim Rondeau to deliver the opening speech for the Manitoba presentation.
- Hong Kong Forum and World SME Expo in November 2005 in Hong Kong.
- Eight incoming visits from government and business representatives from China, who met with Manitoba firms and departments to initiate trade and investment opportunities.
- Incoming visit in June 2005 by Manitoba Trade and Investment's foreign trade representative in China, who met and consulted with 60 firms and organizations.

Manitoba Trade and Investment is presently working closely with potential investment partners in China to develop two specific value-added opportunities in Manitoba.

In 2005, Japan regained its traditional ranking as Manitoba's second-largest export destination, moving up from third-largest in 2004. Exports totalled $525.7 million in 2005, an increase of 15 percent from 2004, with agricultural products predominant. Significant export growth was attributable to shipments of automatic data processing machinery (increased 497 percent) and unwrought nickel (increased 229 percent).

In fiscal 2005/2006, Manitoba Trade and Investment participated in the following:

- Incoming visit in April 2005 from the Japan External Trade Organization's Senior Trade Advisor for company calls.
- Canada-ASEAN Business Forum in May 2005 in Toronto and meetings with Canadian Embassy trade staff from the region.
- Incoming visit in June 2005 from the Manitoba-Japan Buffalo Club, a group of food buyers from Japan.
- Health Ingredients Show in October 2005 in Tokyo, Japan.
- Visit in January 2006 by photojournalist from the Japanese food magazine *Senmon Ryori.*

Europe – Manitoba exports to the European Union totalled $387.7 million in 2005, an increase of $20.5 million or 5.6 percent from the previous year. The largest increases were in shipments of vegetables (leguminous

dried) from $61.7 million to $68.7 million, unwrought nickel from $22.0 million to $33.4 million, vaccines from $1.4 million to $8.6 million, printed matter from $18.0 million to $21.0 million, and boards and panels from $6.0 million to $11.2 million. Shipments decreased in wheat for the third consecutive year from $73.5 million to $42.9 million, tractors from $11.3 million to $6.5 million, and tanned fur skins from $8.0 million to $4.7 million.

In 2005, Manitoba's top five export markets in Europe were Belgium, the United Kingdom, Spain, Germany and Italy, followed by France and The Netherlands in sixth and seventh place. Rankings improved by one spot for both Germany and France. Within this top five group, exports increased from 2004 for Belgium from $74.6 million to $92.9 million, the United Kingdom from $62.4 million to $86.3 million, and France from $20.7 million to $23.7 million. Exports to the United Kingdom reached their second-highest level for the last decade. Exports to Spain and Germany were similar to 2004, but exports to Italy decreased from $38.7 million to $26.0 million, and the Netherlands from $20.5 million to $16.6 million.

In 2005, imports increased from $669.6 million to $728.2 million. The top import countries were Germany at $232.9 million, the United Kingdom at $107.4 million, Italy at $108.3 million and France at $68.3 million. German imports represented the largest increase from $181.0 million to $232.9 million, while imports from Italy dropped from $173.5 million to $108.3 million. The decrease was related to oxygen-function amino-compounds, which decreased from $91.6 million to $12.0 million.

In fiscal 2005/2006, Manitoba Trade and Investment participated in or organized:

- Incoming visits in September 2005 and February 2006 of Manitoba Trade and Investment's foreign representative in Europe, who met with 50 companies and organizations to discuss and recommend approaches to address their opportunities and challenges in various European markets. Eighteen assignments were undertaken to identify partners, market research, distributors, and other contacts.
- Delegation of 10 agri-food companies/organizations comprising 18 representatives to ANUGA, the largest European food show, in Cologne, Germany, in October 2005.
- Delegation of nine companies and organizations to MIDEM in France in January 2006, the largest audio-recording industry event.
- Various meetings through the year with European trade officials and European-based Canadian trade officials.

Emerging Markets

Over the last two years, there has been a significant increase in the level of interest of Manitoba companies in emerging markets as countries such as India, Russia, Ukraine, Brazil and Kazakhstan become accessible and important markets. The Indian economy has been growing at an average rate of over 6 percent for the last 16 years and is predicted to overtake China's economy by 2020. Due to political changes and land reform, Russia, Ukraine and Kazakhstan are becoming major markets for Manitoba agricultural equipment and building products.

India – India, with a population of 1.1 billion people, a growing infrastructure base, and a burgeoning middle class of over 250.0 million, holds significant opportunities for Manitoba's exporters. A multi-year commitment to the Indian market was initiated with a strong program of activities in fiscal 2005/2006.

There were nine formal incoming business missions from India over the course of the year, each entailing a program of facilities visits and meetings with Manitoba companies. In May 2005, Manitoba Trade and Investment hosted a "Canada and India: Exploring Business Opportunities" Seminar with over 80 people interested in learning about the market attending. Two Memoranda of Understanding were signed that day. The President of the Indo-Canada Business Council signed a Letter of Intent with the Winnipeg Chamber of Commerce on a visit that Manitoba Trade organized in June 2005.

In 2005/2006, Manitoba Trade participated in three outgoing missions to India, including a Team Canada mission in April 2005 led by the federal Minister of International Trade to New Delhi, Mumbai and Chandigarh. Four companies participated in a Manitoba Trade outgoing mission in late November 2005 to New Delhi, Ahmedabad, Mumbai and Pune. During the mission, more than 40 applications were taken for nine-month pilot training courses, and since then almost half that number have received their visas and have begun their training at Manitoba flight training schools.

In February 2006, Premier Gary Doer led the largest trade mission in Manitoba's history to India. This mission, which traveled to New Delhi, Chandigarh, Amritsar and Mumbai, included over 45 delegates representing 34 companies and organizations and sectors such as biotechnology, aerospace, energy, and education and research.

Manitoba companies who participated in the Premier's Business Mission to India reported positive meetings and contacts made as a result of the mission. In addition, a number of Memoranda of Understanding and Letters of Intent were signed, formalizing significant partnership opportunities.

Middle East – Manitoba Trade and Investment continued to promote export opportunities in the Middle East region. Manitoba exported to this region totalled $143.7 million in 2005, compared to $86.3 million in 2004. The bulk of exports shifted from grains and pulses to aircraft ($49.6 million) and machinery ($11.1 million).

Other activities which Manitoba Trade & Investment organized or participated in included:

- Two incoming Iranian missions, in June and November 2005, with a focus on agricultural machinery, fresh water fish, and lumber.

Russia, Ukraine and Kazakhstan – Manitoba Trade and Investment organized a trade mission of five Manitoba companies to Russia and Ukraine in the spring of 2005. MTI organized a business program for participating companies in Moscow and Chuvashia. Manitoba Trade staff also met with the President of the Republic of Chuvashia and identified several projects of interest to Manitoba businesses. In Chuvashia, Manitoba Trade completed advance work in support of Deputy Premier Rosann Wowchuck's visit to the region, as well as an incoming delegation from Chuvashia to visit Manitoba. Ukraine and Russia offered important markets for agricultural machinery sector in the coming years.

In addition, the U.S Division was active in organizing several sector-related events involving offshore markets beyond the U.S., including:

- Incoming Kazakhstan Trade Mission and Industry Roundtable, June 2005,with 13 Kazakhstan delegates and over 60 Manitoba companies.
- Group exhibit and outreach mission to Kazakhstan, November 2005, where 13 Manitoba companies exhibited.

Mexico – Mexico remained one of Manitoba's top trading partners with two-way trade totaling over $438.0 million in 2005. Manitoba has a longstanding relationship with Jalisco, Mexico, and is strengthening ties with the States of Nuevo Leon and Coahila to promote opportunities for Manitoba's business community. In 2005/2006, Manitoba Trade and Investment organized four trade missions to Mexico, including the Premier's attendance at a NAFTA Conference in Monterrey in May 2005.

In October 2005, Minister Scott Smith led a delegation of four Manitoba companies to Nuevo Leon and Jalisco, as well as Colima, Mexico. New contacts were established in the states of Michoacan, Guanajuato, San Luis Potosi, Zacatecas, and Queretaro. All of the jurisdictions are important stakeholders in the Mid-continent Transportation and Trade Corridor.

U.S. and Trade Operations

The U.S. continued to be Manitoba's largest export market with 76.2 percent of its merchandise exports destined for the United States. In addition, 81.9 percent of merchandise imports into Manitoba were from the U.S.

In fiscal 2005/2006, Manitoba Trade and Investment participated in nine incoming and outgoing trade missions and group shows. Over 200 companies both from within and outside Manitoba were involved in these events, and Manitoba companies projected over $10.0 million of sales as a result.

Specific events which Manitoba Trade and Investment organized in 2005/2006 involved incoming and outgoing initiatives for the U.S. market including:

- Western Canada Farm Progress Show, Regina, Saskatchewan, June 2005, involving over 100 delegates from the U.S.

- Group exhibit at Husker Harvest Days, Grand Isle, Nebraska, September 2005, where eight Manitoba companies exhibited.
- Outgoing business mission with four newly formed Manitoba oil and gas-related companies to the Annual Technical Conference & Exhibition (ATCE) Oil & Gas Trade Show, Dallas, Texas, in October 2005.
- Group exhibit in the Private Label Manufacturers Show, Chicago, Illinois, November 2005, where five Manitoba companies exhibited.
- Manitoba mission to Kansas City, Missouri, November 2005, with five Manitoba companies participating.
- GEAPS (Grain Elevator And Processing Society) Chapter Expo, Winnipeg, Manitoba, January 2006, where 80 Manitoba and U.S. grain-based manufacturers exhibited.
- Group exhibit at the World Ag Expo, Tulare, California, February 2006, where five Manitoba companies exhibited.

The Trade Assistance Program provided cost-shared assistance to encourage Manitoba companies to exhibit in recognized trade events and develop new promotional material and websites. In 2005/2006, the Program approved 133 applications submitted from Manitoba companies.

Priority sectors included food and beverage processing, life sciences, building products, original equipment manufacturers and sub-components/agricultural equipment, knowledge-based industries, apparel, and exportable services. In particular, Manitoba has strengths in original equipment manufacturing (OEM) and grain-handling capabilities. Strategically, Manitoba's agribusiness and technology capabilities are in high demand in a number of selected markets in the U.S., as well as international markets and developing economies offshore.

Canada-Manitoba Memorandum of Understanding on International Business Development
Economic development was a co-operative effort, and Manitoba Trade and Investment encouraged and facilitated co-operation with other provincial, federal and civic economic development agencies. A key example was the high level of co-operation between the Province and the federal government arising from a Memorandum of Understanding (MOU) for International Business Development. In 2005, the MOU was renewed for a five-year term.

Foreign Trade Representatives
In 2005/2006, Manitoba Trade and Investment retained two part-time foreign trade representatives in priority markets. The representatives, located in China and Europe, were responsible for identifying trade opportunities for Manitoba companies in their respective markets. In the past year, the representatives have assisted Manitoba companies with new and ongoing sales of $3.8 million and potential sales of an additional $5.0 million in their markets. The representatives played an important role in the success of Manitoba companies in these challenging markets.

7(b) Manitoba Trade

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,373.7	19.00	1,359.5	14.2	
Total Other Expenditures	1,532.8		1,724.3	(191.5)	
Grants	161.4		170.0	(8.6)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,000.0)		(1,000.0)		
TOTAL	2,067.9	19.00	2,253.8	(185.9)	

Manitoba Office in Ottawa

The overall objective of the Ottawa Office is to assist the Manitoba government and its agencies, Manitoba firms, communities, organizations and individuals in dealing with the federal authorities and in developing business. Critical activities in providing such assistance include the gathering and dissemination of information; representation of Manitoba's interests, and monitoring of federal actions and intentions on a range of issues including procurement.

Manitoba continues to be particularly susceptible to changes in federal transfers to the Provinces, which account for almost 35% of Manitoba's yearly revenues. Transfers to individuals add to the importance of the federal government to Manitoba. Public Works and Government Services Canada bought approximately $8.0 billion during 2005 in Canada, which represented 65% of total departmental purchases. The Department of National Defence's capital and acquisition spending is approximately $6.0 billion each year. The federal government is the second largest employer in Manitoba after the provincial government. The presence of numerous other provincial/territorial offices in Ottawa demonstrates that we are not alone in the belief that representation in Ottawa is important in furthering provincial interests. In fact, the Manitoba Office, established in January, 1990, recently entered into a co-location agreement with the province of New Brunswick.

Principal Activities in 2005/2006

Information Gathering/Dissemination: The Office maintained regular contact with a network of Ottawa-based bureaucrats, lobbyists, political staff and business people in an effort to keep abreast of any developments emanating from Ottawa which effect or potentially effect, interests in Manitoba. Examples of results from this activity included provision of a Media Review, Federal/Provincial Balance Sheets, analysis of Estimates of key federal departments and monitoring legislation and reporting on hearings of parliamentary committees.

Representation/Lobbying: The Office acted as Manitoba's continuing representative in Ottawa and our presence was felt at all levels of the federal government. It provided logistical arrangements for Manitoba lobby efforts and trade missions. Manitoba Office staff also provided a useful and money saving function by attending, on behalf of Manitoba government departments, various federal/provincial meetings where the agenda or duration does not justify specialists travelling from Manitoba, but where Manitoba's continued involvement is considered necessary. During fiscal year 2005/2006, the Office attended over 18 such meetings. The Office also accompanied visiting Manitoba companies on calls to federal officials and provided office facilities where required to visiting Manitobans.

Procurement: While the procurement function involved some lobbying, the primary focus was on monitoring the progress and potential of specific purchases by the federal government. Activities included contact and liaison with federal officials, potential prime contractors, first tier subcontractors, Ottawa-based lobbyists, and most importantly, Manitoba industry. The capabilities of Manitoba suppliers were communicated to all parties involved in the procurement and the general direction for the contract was ascertained and communicated to relevant companies and appropriate Manitoba government officials. Specific complaints were also handled and in some cases resolved to the satisfaction of the Manitoba company. Even when not fully successful, such problems were less likely to re-occur after such consultation or intervention.

7(c) Manitoba Office in Ottawa

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	130.1	2.00	131.4	(1.3)	
Total Other Expenditures	46.7		69.7	(23.0)	
TOTAL	176.8	2.00	201.1	(24.3)	

SECTION III
EMERGENCY MEASURES ORGANIZATION

Emergency Measures Organization

Overview

Manitoba Emergency Measures Organization (EMO) works closely with all levels of government, the private sector, volunteer and not-for-profit agencies, and the general public to promote and co-ordinate emergency preparedness with the goals of preventing loss of life and damage to property and the environment. Manitoba EMO's authority for overseeing and co-ordinating all aspects of emergency preparedness in the province and directing the response of provincial agencies to an emergency away from the direct site of an emergency is provided in *The Emergency Measures Act*. Manitoba EMO's authority for oversight and regulation of 911 call answering services is provided in *The Emergency 911 Public Safety Answering Point Act*. Manitoba EMO is responsible for the administration of the Disaster Financial Assistance (DFA) program, and compensation programs required under *The Red River Floodway Act*.

Emergency Measures Organization (EMO)

Manitoba EMO is committed to:

- Fulfilling its statutory responsibilities, as established under *The Emergency Measures Act*, as the provincial government's co-ordinating agency for emergency management;
- Fulfilling its statutory responsibilities for compliance with *The Emergency 911 Public Safety Answering Point Act*;
- Establishing and building the provincial government's emergency management capacity;
- The co-ordination and management of emergencies away from their immediate site when provincial assistance is required or requested;
- Supporting disaster recovery through the provision of Disaster Financial Assistance, where appropriate, for qualifying losses incurred by private individuals, small businesses and farms, certain not-for-profit agencies, and the public sector;
- Delivering compensation programs as required under *The Red River Floodway Act*;
- Fostering a climate of co-operation among all sectors involved with the protection of public safety and security in Manitoba; and
- Continuous improvement and innovation in all aspects of emergency management in Manitoba.

Principle Activities in 2005-2006

Emergency Co-ordination and Disaster Recovery
2005 presented a uniquely challenging flood season for Manitoba EMO and its partners in emergency management. While flooding is normally confined to a period of a few weeks and usually in the spring, the 2005 flood season extended from spring run-off through the end of summer as a result of a series of heavy rainstorms and persistently wet soil conditions. It was also an unprecedented year for the scope of flood impacts, with nearly every municipality in the province reporting some damages. The provincial government approved a DFA program from 2005 flooding, and with federal cost sharing, this is expected to exceed $53.0 million in assistance. The 2005 DFA program is the largest in Manitoba history by geographic area, second largest by dollar amount, and third largest by number of claims.

Consistent with high river and lake levels across the problem, and extended period of high lake levels on the south basin of Lake Winnipeg presented emergency management officials with a flood risk in September and October 2005. Working in close conjunction with municipal and provincial staff, Manitoba EMO was involved in a dike construction effort to protect developed areas and communities in this area, particularly around Gimli, Winnipeg Beach, and Dunottar. This resulted in the avoidance of flood damage when heavy windstorms in September and October would otherwise have resulted in flooding. Manitoba EMO continues to work with municipal and provincial officials to complete the construction of these dikes, and to provide compensation where damage occurred in the course of emergency operations.

Spring flooding in 2006 was principally confined to the Red River Valley, where river levels approached the stage of the 1996 flood. The flood mitigation and community ring dikes built in the past decade greatly limited impacts and the need for evacuations in 2006. There were, however, significant damages to public infrastructure, widespread road closures, and impacts on agricultural land. The provincial government has approved a DFA program for the Red River Valley, and Manitoba EMO is working with other municipalities to assess their damages and evaluate if DFA is appropriate beyond the Red River Valley. While most flooding was south of Winnipeg, the 2006 flood season saw significant impacts in communities such as Red Deer Lake and parts of the Interlake around Fisher Branch. The 2006 DFA program featured the introduction of on-line applications for DFA, which is the first on-line application process implemented by the provincial government.

Federal/Provincial/Territorial Policy Discussions
Discussions are continuing to advance strategic priorities for emergency management as identified by the Premiers at the Council of the Federation meeting in July 2004. To address these and other matters of mutual concern, the Federal/Provincial/Territorial (FPT) Ministers responsible for emergency management approved an Eight Point Joint Action Plan at their meeting in January 2005. Manitoba EMO has been an active participant in the Working Groups formed to advance the Action Plan, and has been particularly involved as the Co-Chair of the Working Group on Public Alerting. Manitoba has also taken a leadership role in revisions to the Disaster Financial Assistance Arrangements (DFAA), which establishes eligibility guidelines and federal cost-sharing for DFA programs. While FPT consensus remains on many DFAA reforms, implementation of a revised DFAA has been delayed by the change in federal government.

Municipal Emergency Planning
As per requirements introduced in *The Emergency Measures Act* in 2001, municipalities require an emergency plan approved by Manitoba EMO. 196 of 198 municipalities have an approved emergency plan, and Manitoba EMO is working with all municipalities to help meet the on-going requirements for maintenance of this standing. Discussions were initiated with the Association of Manitoba Municipalities on further developing municipal emergency preparedness by adopting best practices and lessons learned into municipal emergency planning requirements.

Statutory Amendments
Amendments were proposed to *The Emergency Measures Act* that included the creation of Emergency Prevention Orders to provide municipalities with specific statutory authority for disaster mitigation. Emergency Prevention Orders would provide more limited emergency powers than a state of emergency, and are intended to enable disaster mitigation and prevention activities by municipalities. This provision would make Manitoba the only jurisdiction in North America with separate powers for disaster mitigation and prevention. Other proposed amendments include an increased penalty for refusing an evacuation order, and requirements for provincial government departments to maintain an emergency plan including Business Continuity Planning.

Business Continuity Planning
Manitoba EMO is leading the development of a government-wide Business Continuity Planning (BCP) Program. This will provide an initial level of planning for functional areas to provide a minimal level of service delivery within a prescribed time period, and allow for strategic decisions on service priorities in the event of a more serious disruption. From this initial level of preparedness, refinements will be developed through education, training, exercises, and the development of scenario-specific plans. The initial development of a government-wide BCP Program is expected to be complete by the end of 2006.

Pandemic and Avian Influenza Planning
Preparing for avian and pandemic influenza outbreaks each requires separate focus. With avian, the challenge is more on the containment and eradication of the influenza; with pandemic, the challenge is to anticipate and prepare for broader societal disruptions. In either case, there is the need for both national and regional planning. Manitoba EMO has worked with Manitoba Healin to hold joint pandemic planning sessions with municipalities and regional health authorities to build local preparedness to respond to a pandemic influenza.

Emergency Management Training
Manitoba EMO continued to provide emergency management training at no cost to municipal and other emergency management officials. 585 individuals received training in the last year.

13-8 Emergency Measures Organization

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,137.3	19.00	1,242.9	(105.6)	
Total Other Expenditures	609.5		556.2	53.3	
TOTAL	1,746.8	19.00	1,799.1	(52.3)	

SECTION IV
AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

Amortization and Other Costs Related to Capital Assets

This appropriation was established to provide for the amortization of the Department of Intergovernmental Affairs and Trade capital assets.

13-9 Amortization and Other Costs Related to Capital Assets

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Costs Related to Capital Assets	221.3		221.4	(0.1)	

SECTION V
FINANCIAL INFORMATION SECTION

Reconciliation Statement

Details	2005/06 Estimates $
Printed Estimates of Expenditure 2005/2006 – Intergovernmental Affairs	222,097.4
Main Estimates Authority Transferred from:	
- Enabling Appropriations	4,976.5
- Internal Reform, Workforce Adjustment and General Salary Increases	317.6
- Security Initiatives	68.7
Estimates of Expenditure 2005/2006 (Adjusted)	227,460.2

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

SECTION I – INTERGOVERNMENTAL AFFAIRS

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-1	**ADMINISTRATION AND FINANCE**				
29.4	(a)	Minister's Salary	29.7	20.7	9.0	
	(b)	Executive Support				1
520.5		1 Salaries	692.7	470.3	222.4	
80.1		2 Other Expenditures	77.2	78.7	(1.5)	
	(c)	Brandon Office				
173.2		1 Salaries	139.8	137.7	2.1	
62.2		2 Other Expenditures	58.6	51.6	7.0	
	(d)	Human Resource Management				
148.4		1 Salaries	164.3	144.2	20.1	
28.8		2 Other Expenditures	31.7	26.3	5.4	
	(e)	Financial and Administrative Services				
495.3		1 Salaries	397.4	472.2	(74.8)	
181.2		2 Other Expenditures	174.7	175.4	(0.7)	
	(f)	Municipal Board				
807.6		1 Salaries	533.5	555.4	(21.9)	
238.0		2 Other Expenditures	231.9	217.5	14.4	
2,764.7		TOTAL 13-1	2,531.5	2,350.0	181.5	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-2	**COMMUNITY AND LAND USE PLANNING SERVICES**				
	(a)	Executive Administration				
166.6		1 Salaries	104.4	159.8	(55.4)	
28.4		2 Other Expenditures	28.0	24.7	3.3	
	(b)	Provincial Planning Services				
401.1		1 Salaries	430.6	348.0	82.6	
199.6		2 Other Expenditures	114.7	115.8	(1.1)	
(170.3)		3 Less: Recoverable from Urban Development Initiatives	(83.0)	(117.6)	34.6	
	(c)	Community Planning Services				
2,876.6		1 Salaries	2,885.4	2,753.3	132.1	
1,055.0		2 Other Expenditures	732.5	749.7	(17.2)	
(571.7)		3 Less: Recoverable from Rural Economic Development Initiatives	(284.5)	(278.1)	(6.4)	
3,985.3		TOTAL 13-2	3,928.1	3,755.6	172.5	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-3	**PROVINCIAL – MUNICIPAL SUPPORT SERVICES**				
	(a)	Executive Administration				
157.3		1 Salaries	154.0	151.1	2.9	
28.9		2 Other Expenditures	25.7	18.1	7.6	
	(b)	Assessment Services				
6,917.0		1 Salaries	6,782.0	6,788.2	(6.2)	
1,621.8		2 Other Expenditures	1,471.7	1,464.0	7.7	
(2,134.7)		3 Less: Recoverable from Education, Training and Youth	(2,134.7)	(2,113.3)	(21.4)	
	(c)	Municipal Finance and Advisory Services				
1,154.8		1 Salaries	1,092.5	996.3	96.2	
346.9		2 Other Expenditures	376.3	424.4	(48.1)	
(103.0)		3 Less: Recoverable from Urban Development Initiatives	(103.0)	(105.0)	2.0	
	(d)	Information Systems				
927.1		1 Salaries	956.2	953.4	2.8	
1,453.1		2 Other Expenditures	1,243.6	1,213.3	30.3	
(482.5)		3 Less: Recoverable from Education, Citizenship and Youth	(482.5)	(449.2)	(33.3)	
9,886.7		TOTAL 13-3	9,381.8	9,341.3	40.5	

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For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-4	**FINANCIAL ASSISTANCE TO MUNICIPALITIES**				
	(a)	Financial Assistance for the City of Winnipeg				
		(1) Support for Municipal Infrastructure and Services				
49,368.3		(a) General Assistance	49,368.3	47,343.3	2,025.0	2
19,355.4		(b) Transit Operating	19,355.4	16,854.0	2,501.4	3
3,840.0		(c) Transit Capital	3,840.0	3,000.0	840.0	3
6,000.0		(d) Roads	6,000.0	5,000.0	1,000.0	3
		(2) Other Operating Assistance				
19,887.5		(a) Unconditional Program Grant	19,887.5	19,887.5	0.0	
9,116.2		(b) General Support Grant	9,204.4	8,577.6	626.8	4
8,820.0		(c) Urban Community Development	9,857.4	8,820.0	1,037.4	5
900.0		(d) Dutch Elm Disease Control	900.0	900.0	0.0	
1,100.0		(e) Mosquito Abatement	1,014.5	909.0	105.5	
2,085.0		(f) Casino Supported Programs	2,085.0	0.0	2,085.0	6
(23,650.0)		(g) Less: Adjustment to reflect program transfers from the City of Winnipeg	(23,650.0)	(23,650.0)	0.0	
8,152.7		(3) Other Capital Assistance	8,059.8	11,814.1	(3,754.3)	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	(b)	Financial Assistance to Other Municipalities				
		(1) Support for Municipal Infrastructure and Services				
36,631.7		(a) General Assistance	36,631.7	35,000.2	1,631.5	7
1,883.7		(b) Transit Operating	1,816.7	1,644.7	172.0	
130.0		(c) Transit Capital	148.0	100.0	48.0	
1,500.0		(d) Roads	1,325.4	1,000.1	325.3	
		(2) Other Operating Assistance				
1,271.5		(a) General Support Grant	1,351.1	1,209.3	141.8	
8,700.0		(b) Rural Community Development	9,875.6	8,700.0	1,175.6	8
	(c)	Grants to Municipalities in Lieu of Taxes				
15,058.5		(1) Grants	13,912.3	14,421.7	(509.4)	9
(14,857.5)		(2) Less: Recoverable from Other appropriations	(14,857.5)	(14,749.2)	(108.3)	
(1,055.0)	(d)	Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,016.0)	(1,981.0)	965.0	
154,238.0		TOTAL 13-4	155,109.6	144,801.3	10,308.3	

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EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-5	**CANADA – MANITOBA AGREEMENTS**				
17,714.4	(a)	Infrastructure Agreement	20,051.8	11,059.9	8,991.9	10
5,168.0	(b)	Economic Partnership Agreement	2,452.7	1,588.4	864.3	11
2,000.0	(c)	Winnipeg Partnership Agreement	1,561.7	97.6	1,464.1	12
24,882.4		TOTAL 13-5	24,066.2	12,745.9	11,320.3	
	13-6	**URBAN STRATEGIC INITIATIVES**				
	(a)	Neighbourhoods Alive!				
215.4		(1)Salaries and Employee Benefits	228.7	173.8	54.9	
88.1		(2)Other Expenditures	84.9	62.8	22.1	
3,692.1		(3)Neighbourhood Support	3,544.7	3,112.8	431.9	
(1,482.3)		(4)Less: Recoverable from Urban and Rural Development Initiatives	(1,440.9)	(889.8)	(551.1)	13
	(b)	Neighbourhoods Programs				
318.1		(1)Salaries and Employee Benefits	309.1	321.7	(12.6)	
49.8		(2)Other Expenditures	44.6	39.7	4.9	

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For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	(c)	Urban Community Economic Development				
282.1		(1)Salaries and Employee Benefits	262.1	252.7	9.4	
54.9		(2)Other Expenditures	48.5	38.7	9.8	
(297.6)		(3)Less: Recoverable from Urban Development Initiatives	(282.8)	(246.3)	(36.5)	
22,050.0	(d)	Urban Development Initiatives	22,041.9	16,484.0	5,557.9	14
24,970.6		TOTAL 13-6	24,840.8	19,350.1	5,490.7	
220,727.7		**TOTAL EXPENDITURES FOR INTERGOVERNMENTAL AFFAIRS**	**219,858.0**	**192,344.2**	**27,513.8**	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

SECTION II – TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-7	**TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS**				
	(a)	Federal-Provincial and International Relations				
1,409.3		1 Salaries	1,392.0	1,075.5	316.5	15
847.8		2 Other Expenditures	927.0	533.7	393.3	
	(b)	Manitoba Trade				
1,359.5		1 Salaries	1,373.7	1,264.9	108.8	
1,724.3		2 Other Expenditures	1,532.8	1,503.5	29.3	
170.0		3 Grants	161.4	129.2	32.2	
(1,000.0)		3 Less: Recoverable from Rural and Urban Development Initiatives	(1,000.0)	(1,000.0)	0.0	
	(c)	Manitoba Office in Ottawa				
131.4		1 Salaries	130.1	127.8	2.3	
69.7		2 Other Expenditures	46.7	51.7	(5.0)	
4,712.0		**TOTAL EXPENDITURES FOR TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS**	**4,563.7**	**3,686.3**	**877.4**	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

SECTION III – EMERGENCY MEASURES ORGANIZATION

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-8	**EMERGENCY MEASURES ORGANIZATION**				
		Emergency Measures Organization				
1,242.9		(a) Salaries	1,137.3	1,074.5	62.8	
556.2		(b) Other Expenditures	609.5	567.8	41.7	
1,799.1		TOTAL 13-8	1,746.8	1,642.3	104.5	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

SECTION IV – AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
221.4	13-9	COSTS RELATED TO CAPITAL ASSETS	221.3	193.8	27.5	
227,460.2		TOTAL EXPENDITURES FOR INTERGOVERNMENTAL AFFAIRS AND TRADE	226,389.8	197,866.6	28,523.2	

EXPLANATION NOTES

1. *The year over year variance is due to a severance and vacation payout in the Deputy Minister's office.*
2. *Reflects a 4% increase over 2004/2005 level based on growth in provincial income tax revenues.*
3. *Existing road and transit grants increased and converted to the equivalent of 2 cents/litre of provincial gas tax and 1 cent/litre of diesel tax.*
4. *Reflects an increase in the City of Winnipeg payroll expenses.*
5. *Reflects an increase in net provincial VLT revenues generated in Winnipeg.*
6. *New Casino Revenue Sharing grant based on 5% of net casino revenue, generated in Winnipeg providing new funding for additional police officers.*
7. *Reflects a 4.7% increase over 2004/2005 level based on growth in provincial income tax revenues.*
8. *The year over year variance is due to the timing of the rural VLT grant payment.*
9. *Grant in Lieu – decrease due to sale of Government Services properties in City of Winnipeg and reduction in 2005 assessments of Government Services properties in Winnipeg resulting from Municipal board appeals.*
10. *Project expenditures increased due to ongoing project commitments and claims for payment submissions.*
11. *2005/2006 is the second year of the program and more projects have started up resulting in more claims for payment submitted.*
12. *2004/2005 was the first full year for the program and it was still in the start-up phase.*
13. *The year over year variance in the recovery is due to the timing of payments from the Neighbourhood Renewal Fund in 2004/2005.*
14. *The year over year variance is due to the increase in urban VLT revenues.*
15. *The year over year variance is due to there being vacancies in 2004/2005 and a severance/vacation payout in 2005/2006.*

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

REVENUE SUMMARY BY SOURCE

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

Actual 2004/05	Actual 2005/06	Increase (Decrease)	Source	Actual 2005/06	Estimate 2005/06	Variance	Expl. No.
			Current Operation Programs – Other Revenue				
547.6	816.0	268.4	(a) Fees	816.0	637.0	179.0	1
7,498.7	7,499.4	0.7	(b) Municipalities Shared Cost Receipts	7,499.4	8,071.4	(572.0)	
77.3	106.7	29.4	(c) Sundry	106.7	94.2	12.5	
20.6	21.6	1.0	(d) Cost Recovery from New Brunswick	21.6	22.8	(1.2)	
			Government of Canada				
349.0	245.4	(103.6)	(a) Infrastructure Programs	245.4	304.3	(58.9)	
221.4	220.0	(1.4)	(b) Joint Emergency Planning Program	220.0	212.0	8.0	
8,714.6	8,909.1	194.5	TOTAL REVENUE	8,909.1	9,341.7	(432.6)	

Explanation

1. Revenue from Fees is higher than the 2005/2006 Estimate and the 2004/2005 Actual due to higher than anticipated sub-division revenue.

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY BY APPROPRIATION

For years ending March 31, 2002 – March 31, 2006

ACTUAL/ADJUSTED*EXPENDITURES ($000)

		2001/02		2002/03		2003/04		2004/05		2005/06	
		FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
13-1	ADMINISTRATION AND FINANCE [1, 2]	33.60	2,223.4	34.60	2,331.7	33.6	2,769.5	34.10	2,350.0	34.10	2,531.5
13-2	COMMUNITY & LAND USE PLANNING SERVICES	55.00	3,711.7	55.00	3,601.4	55.00	3,881.9	54.00	3,755.6	52.00	3,928.1
13-3	PROVINCIAL-MUNICIPAL SUPPORT SERVICES [1 5]	156.60	8,804.3	156.60	8,906.7	156.60	9,872.2	153.10	9,341.3	151.10	9,381.8
13-4	FINANCIAL ASSISTANCE TO MUNICIPALITIES [3]	0.00	142,601.7	0.00	142,584.5	0.00	142,719.6	0.00	144,801.3	0.00	155,109.6
13-5	CANADA-MANITOBA AGREEMENTS	7.00	13,713.0	6.00	15,247.7	6.00	18,446.7	8.00	12,745.9	9.00	24,066.2
13-6	URBAN STRATEGIC INITIATIVES [1]	13.00	19,891.4	13.00	21,688.3	13.00	22,331.0	12.00	19,350.1	13.00	24,840.8
13-7	TRADE & FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS [3]	34.60	3,314.3	33.60	3,384.1	36.60	4,017.4	34.60	3,686.3	36.30	4,563.7
13-8	EMERGENCY MEASURES ORGANIZATION [4]	19.00	1,346.9	19.00	1,476.2	19.00	1,561.4	19.00	1,642.3	19.00	1,746.8
13-9	AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS [3]	0.00	423.2	0.00	387.4	0.00	221.6	0.00	193.8	0.00	221.3
TOTAL	INTERGOVERNMENTAL AFFAIRS	318.80	196,029.9	317.80	199,608.0	319.80	205,821.3	314.80	197,866.6	314.50	226,389.8

EXPLANATION NOTES

1. *The 2001/2002 and 2002/2003 actuals have been adjusted to reflect Departmental reorganizations in 2002/2003 and 2003/2004.*

2. *In 2002/2003, the Surface Rights Board was transferred to Industry, Trade and Mines. The 2001/2002 actuals have been adjusted to reflect the transfer.*

3. *As part of the reorganization that took place in 2003/2004, the Trade and Federal-Provincial and International Relations division was created with transfers from Executive Council, Advanced Education and Training, Agriculture Food and Rural Development, Culture Heritage and Tourism and Industry, Economic Development and Mines. Rural and Northern Community Economic Development Services programming was transferred to the Department of Agriculture, Food and Rural Initiatives. The Manitoba Water Services Board was transferred to the Department of Water Stewardship.*

4. *In 2004/2005, Manitoba Emergency Measures Organization was transferred from Industry, Economic Development and Mines. The 2001/2002, 2002/2003 and 2003/2004 actuals have been adjusted to reflect this transfer.*

5. *In 2005/2006, 6.0 FTE's were transferred to the Department of Energy, Science and Technology for the development and delivery of integrated information communication technology services for government. The 2001/2002, 2002/2003, 2003/2004 and 2004/2005 FTE's have been adjusted to reflect this transfer.*

SECTION VI
OTHER APPROPRIATIONS

Emergency Expenditures (27-1)

To provide a funding source for unforeseen emergency expenditures related to natural disaster such as a forest fires, flooding and environmental emergencies.

Principal Activities in 2005/2006

- Provided for expenditures related to forest fires, flooding and other natural disasters, including response costs to forest fire and other emergency responses, disaster assistance, and other emergency related items. It also provided for partial reimbursement to government departments for property losses not covered by insurance.

- The annual estimate of expenditure was derived from historical averages. Actual expenditures varied from year to year depending on the weather and frequency of disasters.

27-1 Emergency Expenditures

Expenditures by Sub-appropriation	Actual 2005/06 $	Estimate 2005/06 FTE	Estimate 2005/06 $	Variance Over/(Under)	Expl. No.
Total Other Expenditures	66,179.5	0.00	25,000.0	41,179.5	
TOTAL	66,179.5	0.00	25,000.0	41,179.5	1

Explanation

1. The increase is primarily due to expenditures relating to the 2006 spring flood and forest fire suppression.

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

EMERGENCY EXPENDITURES

ESTIMATE 2005/06		APPROPRIATION	ACTUAL 2005/06	ACTUAL 2004/05	INCREASE (DECREASE)	EXPLANATION NUMBER
	27-1	EMERGENCY EXPENDITURES				
10,000.0		Forest Fire Suppression	17,834.1	15,083.6	2,750.5	1
15,000.0		Agriculture Related and Other Events	48,345.4	14,960.5	33,384.9	2
25,000.0			66,179.5	30,044.1	36,135.4	

Explanation

1. ***Expenditures were higher than the previous year due to a higher number of forest fires in Manitoba in 2005/2006.***
2. ***Expenditures were higher than the previous year due to higher than normal flood related expenditures.***

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

REVENUE SUMMARY

For the fiscal year ended March 31, 2006 with comparative figures for the previous fiscal year.

EMERGENCY EXPENDITURES

Actual 2004/05	Actual 2005/06	Increase (Decrease)	Source	Actual 2005/06	Estimate 2005/06	Variance	Expl. No.
			OTHER REVENUE:				
			Sundry		25.0	(25.0)	1
1,651.3	36,847.0	35,195.7	Government of Canada: Emergency Expenditures	36,847.0	0.0	36,847.0	2
1,651.3	36,847.0	35,195.7	TOTAL REVENUE	36,847.0	25.0	36,822.0	

Explanation

1. ***There were no sundry revenues in 2004/2005 or 2005/2006.***
2. ***The increase is due to receivables relating to the 2004, 2005, and 2006 spring floods.***

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

FIVE-YEAR HISTORY
EMERGENCY EXPENDITURES 27-1
FIVE-YEAR EXPENDITURE SUMMARY BY PROGRAM

For Five Years Ended March 31, 2006

ACTUAL/ADJUSTED*EXPENDITURES ($000)

	2001/02		2002/03		2003/04		2004/05		2005/06	
	FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
Disaster Assistance		16,419.7		8,697.6		2,426.2		14,960.5		48,345.4
Forest Fires		19,847.2		24,632.8		51,646.9		15,083.6		17,834.1
Tree Conservation		1,112.6								
Environmental Response		502.3		299.0						
Agriculture						43,200.0				
Miscellaneous		21.5		802.1		297.3				
TOTAL		37,903.3		34,431.5		97,570.4		30,044.1		66,179.5

Adjusted figures reflect historical data on a comparable basis in those appropriations affected by reorganizations during the five years.

SECTION VII
APPENDICES

Appendices

Appendix A - Market Value Assessment - Provincial Totals

At the end of the calendar year, the Assessment Branch delivers final assessment rolls to all municipalities excluding the City of Winnipeg. The market value of all assessment in Manitoba as shown on these rolls is aggregated in the table below.

Roll Type / Year	RURAL	VILLAGES	TOWNS	CITIES	L.G.D.S.	ABORIGINAL / NORTHERN AFFAIRS	TOTAL
Business							
2006	45,577,460	1,240,580	24,949,420	57,429,000	677,700	1,424,000	131,298,160
2005	41,425,930	1,160,382	34,380,330	41,204,640	591,500	1,265,700	120,028,482
Change	4,151,530	80,198	(9,430,910)	16,224,360	86,200	158,300	11,269,678
Personal							
2006	149,103,100	2,166,800	26,098,000	37,068,200	0	173,300	214,609,400
2005	136,214,500	2,556,800	26,284,600	31,801,800	0	150,700	197,008,400
Change	12,888,600	(390,000)	(186,600)	5,266,400	0	22,600	17,601,000
Real (T)							
2006	21,052,922,920	297,319,300	2,861,254,000	4,622,891,500	69,532,600	97,339,000	29,001,259,320
2005	17,581,930,524	292,944,200	2,838,418,100	3,625,046,350	53,186,300	84,677,100	24,476,202,574
Change	3,470,992,396	4,375,100	22,835,900	997,845,150	16,346,300	12,661,900	4,525,056,746
Real (G)							
2006	758,557,600	13,171,500	172,773,400	259,505,200	4,092,400	58,746,600	1,266,846,700
2005	598,660,900	13,792,800	158,208,700	259,663,400	3,766,700	51,458,600	1,085,551,100
Change	159,896,700	(621,300)	14,564,700	(158,200)	325,700	7,288,000	181,295,600
Real (S)							
2006	88,641,500	15,418,000	162,369,600	164,717,900	380,300	483,400	432,010,700
2005	82,367,800	17,276,100	175,109,500	138,000,000	352,200	458,600	413,564,200
Change	6,273,700	(1,858,100)	(12,739,900)	26,717,900	28,100	24,800	18,446,500
Real (E)							
2006	1,128,344,900	75,715,000	1,041,050,800	683,016,500	19,276,000	43,851,500	2,991,254,700
2005	957,972,000	81,721,100	993,605,900	499,113,800	16,875,400	42,812,100	2,592,100,300
Change	170,372,900	(6,006,100)	47,444,900	183,902,700	2,400,600	1,039,400	399,154,400
TOTAL							
2006	23,223,147,480	405,031,180	4,288,495,220	5,824,628,300	93,959,000	202,017,800	34,037,278,980
2005	19,398,571,654	409,451,382	4,226,007,130	4,594,829,990	74,772,100	180,822,800	28,884,455,056
Change	3,824,575,826	(4,420,202)	62,488,090	1,229,798,310	19,186,900	21,195,000	5,152,823,924

T – Taxable
G - Exempt: Subject to grant in lieu of taxes
S - Taxable: Exempt from school levies
E – Exempt

Appendix B – Total School Assessment (Portioned Values)

In accordance with provisions of *The Municipal Assessment Act*, the 2006 Total School Assessment was provided to the Department of Education Citizenship and Youth by December 1, 2005 and formed the basis for the calculation of school levies. The Total School Assessment (TSA) is the TMA plus portioned values of personal property less the value of real property exempt from school taxes. The TSA is the tax base used by the Province to raise revenue to support the education program across Manitoba and is a determining factor in the distribution of funding to school divisions.

School Division	School Assessment
Beautiful Plains	292,032,990
Borderland	371,727,270
Brandon	1,268,997,400
Evergreen	434,325,230
Flin Flon	80,771,820
Fort la Bosse	295,738,180
Frontier	124,596,780
Garden Valley	421,490,210
Hanover	757,207,870
Interlake	522,338,620
Kelsey	150,517,340
Lakeshore	155,307,230
Lord Selkirk	829,828,600
Louis Riel	2,652,423,920
Mountain View	445,328,130
Mystery Lake	200,785,280
Outside Division Boundaries	75,445,610
Park West	356,788,590
Pembina Trails	2,724,281,210
Pine Creek	193,495,560
Portage la Prairie	556,733,160
Prairie Rose	483,476,920
Prairie Spirit	464,823,920
Red River Valley	463,839,710
River East Transcona	2,443,741,170
Rolling River	346,421,420
Seine River	582,150,030
Seven Oaks	1,147,017,280
Southwest Horizon	372,550,270
St. James Assiniboia	1,824,365,570
Sunrise	947,089,830
Swan Valley	236,453,880
Turtle Mountain	215,191,100
Turtle River	105,072,040
Western	211,293,140
Winnipeg	4,637,182,550
GRAND TOTAL	**27,390,829,830**

* Subject to Education Support Levy and not Special Levy

Appendix C – Committees and Crown Corporations

Leaf Rapids Town Properties Ltd.

Leaf Rapids Town Properties Ltd. (formerly Leaf Rapids Development Corporation) was formed in 1971 by a precedent-setting agreement between the Province and Sherrit-Gordon Mines. Under the agreement, all assessable surface property of the mining company was put on the tax roll for taxation purposes, making Sherrit-Gordon a corporate citizen of the Town. The Province, through Leaf Rapids Town Properties Ltd., developed the townsite property and now manages the Town Centre and other facilities. It recovers costs through property rentals.

The Corporation has a six-person Board of Directors selected and elected given their portfolio responsibilities as senior civil servants with the Province of Manitoba. The Minister of Finance is the shareholder and the Corporation reports to Government through the Minister of Intergovernmental Affairs and Trade. Linda McFadyen, the Deputy Minister of Intergovernmental Affairs and Trade, is the Chairperson and President of the Corporation. Current Directors, as at March 31, 2006, are Debra Woodgate, Vice-Chair, Deputy Minister Government Services and Civil Service Commissioner, Gary Ostry (Industry, Economic Development and Mines), Scott Wiebe (Finance), Dori Gingera-Beauchemin (Agriculture, Food and Rural Initiatives), and Jeff Gordon (Aboriginal and Northern Affairs).

A representative of the Town of Leaf Rapids attends Board meetings in an advisory role. Day to day management of the Town Centre, industrial park, mobile home park and other properties is carried out through the contribution of time of civil servants. In 2005/2006, staff support for the Corporation was provided by the Department of Transportation and Government Services. The General Manager, the Assistant Deputy Minister of Accommodations Services Division, Transportation and Government Services reports to the Chair on matters pertaining to the Corporation.

Appendix D - Sustainable Development Activities and Accomplishments

The following is a summary of progress made towards integrating the principles and guidelines of sustainable development into the programs and activities of the Department of Intergovernmental Affairs and Trade. The summary is organized on the basis of the Principles and Guidelines of Sustainable Development as outlined in Schedules A and B of *The Sustainable Development Act*.

Integration of Environmental and Economic Decisions

- The Administrative Services Branch staff facilitates government-wide implementation of sustainable development principles and policies through participation on several government-wide sustainable development related committees, as well as co-ordinates the Sustainable Development Planning and Implementation Team for the Department.

- A significant focus of the Canada-Manitoba Infrastructure Programs (CMIPs) -- specifically the ***Canada-Manitoba Infrastructure Program (CMIP)***, the ***Municipal Rural Infrastructure Fund (MRIF),*** and the ***Canada Strategic Infrastructure Fund (CSIF)*** -- is green municipal infrastructure including projects that protect and/or enhance the quality of our environment, such as water and waste water systems, water management, solid waste management, recycling, and improve energy efficiency.

  - ***CMIP 2000-2008*** – As of March 31, 2006, $67.7 million (consisting of matching federal, provincial and local 1/3 contributions) CMIP funding supported 132 rural and northern first priority green projects.

  - ***MRIF*** - With the launching of the MRIF in December 2004, ongoing and predictable federal and provincial funding supports further enhancements to green municipal infrastructure. As of March 31, 2006, $33.5 million (consisting of matching federal, provincial and local 1/3 contributions) MRIF funding supported 22 rural and northern first priority green projects; $1.9 million for four (4) waste disposal and recycling projects.

  - ***CSIF*** - $166.0 million in improvements to the City of Winnipeg's Wastewater Treatment (WWT) system is one of three strategic infrastructure priorities agreed upon by the federal and provincial governments and the City of Winnipeg. Under CSIF Manitoba's contribution is $25.0 million for WWT. The project will reduce nutrients in Winnipeg's wastewater effluent, helping to improve the long term health and quality of Manitoba's rivers and lakes. In addition, under CSIF Manitoba's contribution is $13.0 million to the Kenaston Underpass project. This project will result in the reduction in Green House Gas emissions and other environmental impacts (reduce idling time for vehicles waiting at the rail crossings).

- The $50.0 million Canada-Manitoba Economic Partnership Agreement (EPA), announced on December 1, 2003, builds on a successful history of federal-provincial economic development agreements and contributes to strengthening and expanding the economy. The EPA is intended to further strengthen and diversify Manitoba's economy, build on existing economic strengths, enhance the skills of Manitoba's workforce and promote regional development in accordance with two strategic priorities: Building our Economy and Sustainable Communities. As of March 31, 2006, EPA has provided federal/provincial funding support of $30.0 million towards the program's two strategic priorities. The term of the agreement is December 2003 to March 2008.

- The Community and Land Use Planning Services Division works in partnership with local planning authorities, other government departments, the private sector and stakeholders to ensure that Manitobans live in well-planned, environmentally sound and economically sustainable communities and regions. The Community and Land Use Planning Services Division is responsible for developing and administering integrated provincial land use planning policies, legislation and regulations, and providing regionally based professional planning services to local governments, planning districts, northern communities and the public, consistent with provincial land use interests.

Stewardship

- Municipal Finance and Advisory Services delivers funding support to all municipalities to enhance the sustainability of communities, to assist in the provision of quality, affordable municipal services and to assist in the management of community resources and the environment, including: support for "green" services and infrastructure in the City of Winnipeg such as public transit and transit bus replacement, wastewater treatment facilities and Dutch Elm disease control; and Province-wide operating and capital support for public transit services, including transit for the mobility disadvantaged.

- In 2005/2006 the Province established the new Building Manitoba Fund, expanding Manitoba's unique income tax sharing to include new road-related fuel tax revenue sharing, in support of roads, public transit (including handi-transit service) and other municipal infrastructure and services. Through the Fund, all municipalities received increased funding support in 2005, and will benefit from future growth in provincial income and fuel taxes. Accountability provisions ensured that these increases were dedicated to municipal infrastructure priorities.

- The Province also committed to a new, long-term capital funding framework for the City of Winnipeg starting in 2005/2006. This included $70.0 million in cost-shared funding to be provided over the next six years through the Manitoba/Winnipeg Infrastructure Fund (M/WIF) to meet joint infrastructure funding priorities.

- The Province signed two agreements with Canada for the provision of funding for environmentally sustainable municipal infrastructure: the Canada-Manitoba Agreement on the Transfer of Federal Gas Tax Revenues 2005-2015 and the Canada-Manitoba Agreement on the Transfer of Funds for Public Transit 2006-2010. Municipal Finance and Advisory Services administers these funds on behalf of Canada including the development and processing of individual municipal funding agreements, distribution of funding to municipalities and reporting on expenditures and outcomes.

- The Community and Land Use Planning Services provides grants to municipalities and planning districts to initiate their first community land use planning program or to review and update their development plan and zoning by-law.

- The Canada-Manitoba Infrastructure Programs require proponents to provide baseline and target quantitative benefits applicable to their project. At the completion of the project the actual measurement is reported. Any variances from the target benefit must be explained.

- The Canada-Manitoba Economic Partnership Agreement requires proponents to provide baseline and target quantitative performance indicators to their project on a regular basis. Any variances from the target benefit must be explained.

- Urban Green Team helps create opportunities for young Manitobans to pursue job and career-related opportunities in their home communities while helping communities maintain and enhance their local environment.

Shared Responsibility & Understanding

- Human Resource Services, through implementation of the Department's Employment Equity Plan, ensures that policies consider and reflect the needs and views of the various ethnic groups in Manitoba.

- The Canada-Manitoba Infrastructure Programs encourage regional approaches and promote partnerships amongst municipalities, on-and-off-reserve communities, and with non-profit and private sector organizations. For example, MRIF funding of $2.8 million was approved for Broadband Communications North (BCN) to develop broadband access for up to 27 on-and-off-reserve communities in Northern Manitoba, resulting in better, more affordable telecommunications service for up to 30,000 residents, 250 public institutions and up to 350 local businesses. MRIF funding for this project is provided on a 50-50

basis by the governments of Canada and Manitoba. In addition, BCN was a successful applicant under Industry Canada's Broadband for Rural and Northern Development (BRAND) Pilot Program and has obtained further federal assistance of $2.7 million from this program.

- A local consultative committee consisting of representatives from the Association of Manitoba Municipalities and Northern Association of Community Councils reviews and recommends rural and northern CMIPs project funding.

- Under the Canada-Manitoba Economic Partnership Agreement, the governments of Canada and Manitoba focuses co-operative efforts in partnership with community stakeholders on two strategic priorities -- Building our Economy and Sustainable Communities -- to enhance the skills of the Manitoba workforce and promote economic growth and diversification in Manitoba.

- Conseil de développement économique des municipalités bilingues du Manitoba (CDEM) – CDEM Tourism & Entreprises Riel (ER) take tourism and economic development initiatives to promote the unique cultural, linguistic and Métis heritage of these communities. The communities involved are the Rural Municipalities of DeSalaberry, Ellice, La Broquerie, Montcalm, Ritchot, and St. Laurent; the Local Urban Districts of Lorette and St. Léon (Lorne), the Villages of Notre-Dame-de-Lourdes, St. Claude, St. Georges, St. Lazare, St. Pierre-Jolys, and Somerset; the Town of Ste. Anne; and the Riel Quarter of the City of Winnipeg (St. Boniface, St. Vital, and St. Norbert).

- The Canada-Manitoba Economic Partnership Agreement assists in the development of northern Manitoba's human and natural resources to ensure northern Manitobans can take full advantage of the opportunities in the region (ie: eco-tourism, mining, forestry, and fishing). For example the Northern Forest Diversification Centre (NFDC) works to link the growing demand for non-timber forest products with the need to create sustainable economic development opportunities for residents of remote communities. Non-timber forest products are wild, natural, organic products derived from the forest other than timber and firewood.

- Municipal Finance and Advisory Services works in partnership with municipal stakeholders to develop resources for municipalities, including practical advice on the recruitment process for hiring a Chief Administrative Officer; a procedures manual, candidates' guide and training sessions for the 2006 general municipal election; and financial information workshops.

- The Urban Strategic Initiatives Division continues to work in partnership with five Neighbourhood Renewal Corporations (NRCs) in the targeted Neighbourhoods Alive! neighbourhoods. The NRCs focuses on the issues identified by their communities and bring forward proposals that best meet the needs of the community. USI staff works to support the capacity of the NRCs and projects being undertaken in the NA! neighbourhoods. Both parties share responsibility for a community-driven process of urban revitalization.

- Community and Land Use Planning Services co-ordinates interdepartmental review of all local planning related proposals including development plans, zoning by-laws and subdivision applications.

- The Community and Land Use Services Division provide planning services to other provincial departments as well as other divisions within the Department. It also consults and works with local government associations, the public, industry and other provincial and federal departments as an integral and on-going part of its activities.

- The Community and Land Use Planning Services Division is undertaking an intergovernmental and public review of the Provincial Land Use Policies Regulation under *The Planning Act* to enhance the Provincial Land Use Policies.

- The Federal-Provincial and International Relations branch supports and promotes sustainable development principles through its participation in international development projects, showcasing best practices from Manitoba; and through its ongoing participation and activities defined in bilateral agreements and MOUs with various countries and states (e.g. United States, Philippines, Alsace(France),

Australia, South Africa) including the promotion of integration of economic, environmental, human health and social factors within decision making and joint activities.

- The Federal-Provincial and International Relations branch provides strategic policy support to participation in international forums such as the Legislators' Forum, the Western Governors' Association, the Midwestern Legislators Conference, and the Midwestern Governors' Association. Often, these meetings address sustainable development issues such as the environment, water, renewable energy, economic development, research and innovation and the efficient uses of resources are common topics.

- The province's activities on climate change were supported at an international level as evidenced by Manitoba's co-hosting The Climate Leaders Summit in Montreal in November 2005. In 2005 Premier Doer was chosen as one of Business Week Magazine's Top 20 world leaders on climate change and clean energy development. As part of the same review, Manitoba was ranked #1 in the world in terms of Regional Governments "battling climate change".

Prevention

- All Canada-Manitoba Infrastructure Programs (CMIPs) approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*. In Manitoba, federal and provincial legislation is harmonized, providing for federal and provincial collaboration in the environmental assessment process. In some cases, municipal projects funded under CMIPs require an environmental assessment and licensing. Therefore, a joint federal-provincial assessment is undertaken in accordance with the Canada-Manitoba Agreement for Environmental Assessment Co-operation. This process includes *Canada Environmental Assessment Act*, *Environment Act* and *Public Health Act*, screenings. Proponents must adhere to mitigation measures as outlined in the Contribution Agreement.

- Similarly, all Canada-Manitoba Economic Partnership Agreement (EPA) approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*.

- After significant consultation with the public and stakeholders, Intergovernmental Affairs and Trade introduced Bill 33 to the Manitoba Legislature, a new *Planning Act*, intended among other things, to assist in better managing the sustainable development of the livestock industry.

- Manitoba has been working with the Governments of Canada, Ontario and Quebec, the Great Lakes Commission, Governors, Senators and other interested parties in the United States and Canada to promote the referral of North Dakota's state-sponsored Devils Lake outlet to the International Joint Commission. North Dakota has been constructing an outlet project at Devils Lake that will divert water from Devils Lake into the Sheyenne River, which will flow into the Red River and then Canada. The state-sponsored project has raised serious concerns about the environmental impacts of the outlet on Manitoba's waters with respect to water quality and the transfer of harmful biota, and about the precedent that could be set should one jurisdiction ignore the provisions of the Boundary Waters Treaty of 1909. This treaty exists to protect the United States and Canada's shared water resources and the International Joint Commission, the dispute resolution body under the Treaty, is in place to resolve concerns about cross-border waters. Manitoba continues to advocate for a solution that does not threaten the Boundary Waters Treaty and is consistent with the spirit of the International Joint Commission.

Conservation & Enhancement

- With MRIF funding of $10.0 million the RM and City of Dauphin will jointly construct a new state-of-the-art Industrial Wastewater Treatment Facility which will have a province-wide effect. The new municipal infrastructure development will help make Rancher's Choice beef processing facility possible and expand markets for Manitoba's cattle farmers. It is also the first water treatment facility in Manitoba to meet new environmental standards set by the Province in its "Lake Winnipeg Initiative". The initiative seeks to protect and restore the Province's lakes and rivers from the excess nutrients in commercial and residential wastewater.

- Under CSIF federal and provincial governments and the City of Winnipeg are contributing to improvements to the City of Winnipeg's wastewater treatment system. This project will reduce nutrients in Winnipeg's wastewater effluent which will help to achieve the objectives of the Lake Winnipeg Action Plan.

Rehabilitation & Reclamation

- The Urban Strategic Initiatives Division supports neighbourhood enhancement and greening projects through the NA! initiative. NA! funded projects, such as the Cliff Park project in Thompson and the Spirit Park project in Winnipeg, help support community efforts to rehabilitate derelict urban sites and provide green space for community recreation and social interaction.

- Under the Sustainable Communities strategic priority, the Canada-Manitoba Economic Partnership Agreement assists the revitalization of urban communities by supporting community economic development initiatives that contribute to downtown and inner city renewal, build community capacity, enhance knowledge and skills, and foster sustainable economic development.

- The Urban Strategic Initiatives Division, together with the City of Winnipeg, supports community-identified projects through the Building Communities initiative including the creation of new community green spaces and recreational venues.

Public Participation

- The federal-provincial environmental process requires for all CMIPs approvals provided for public participation as appropriate.

- The Municipal Rural Infrastructure Fund is an application-based program available to local governments, as well as non-profit and private sector organizations.

- All municipal infrastructure approved projects under the Canada-Manitoba Infrastructure Programs require supporting municipal resolutions.

- The various planning decision-making processes under *The Planning Act* and *The City of Winnipeg Charter* require public notification and hearings.

- The new *Municipal Councils and School Boards Elections Act*, which came into effect January 1, 2006, increases the accessibility of local elections and enhances opportunities for voter participation. Development of the new Act includes consultation with the public and stakeholders.

- The Urban Strategic Initiatives Division's Building Communities Program is a cost-shared, urban renewal initiative with the City of Winnipeg. Community consultation and participation are fundamental elements of the initiative. In each neighbourhood, an advisory committee, comprised of local residents and key stakeholders, has been involved in the identification of capital priorities and the development of a strategic plan for addressing them.

- The Department launched a public consultation campaign on the Western Hemisphere Travel Initiative (WHTI) in early October and held discussion forums with a broad sector of the Manitoba population including: business interests (manufacturers and retailers), municipal leaders, local and provincial tourism groups, education representatives, convention organizers, First Nations groups, Chambers of Commerce, and seniors groups. We also received written submissions from these and other groups which were incorporated into Manitoba's position statement "Documents Required for Travel within the Western Hemisphere".

Access To Information

- The Canada-Manitoba Infrastructure Programs provide access to information through a number of avenues, including a web site, a 1-800 number, an Information/Help Officer, project approvals news releases, and an annual progress report. The web site provides information on program guidelines, approved projects, intake deadlines, and links to the national Infrastructure Canada website. The site also includes downloadable applications, as well as a web-based, on-line application system.

- The Canada-Manitoba Economic Development Partnership Program provides information through similar means.

- By administering *The Freedom of Information and Personal Privacy Act* on behalf of the Department, the Administrative Services Branch facilitates the opportunity for equal and timely access to departmental information by all Manitobans.

- Public understanding of assessment information was substantially improved through the revision of property records available at Assessment Services' offices. These records show the land and building characteristics that form the basis of the property assessment. They provide details of the valuation and other pertinent data such as inspection history. The information shown on the reports is now better tailored to different users' needs. Plain language has been emphasized along with minimization of abbreviations and acronyms. The public's improved ability to understand the recorded information and assessment process supports sustainable development decision making.

- The *"2004 Statistical Information for Municipalities"* is an annual publication that presents relevant and useful statistical highlights and information necessary for municipal officials and others to understand and analyze the financial position of all Manitoba municipalities. The publication provides a resource for municipalities to examine the efficiency and effectiveness of the services they deliver. The 2004 publication provides new information on budgeted municipal expenditures and municipal property tax, to improve the relevance and comparisons between like municipalities.

- The Community and Land Use Planning Services Division maintain a Capital Region web site to provide improved public access to research and information.

- The Municipal Board maintains a web site to provide awareness of the assessment appeal process and to provide advice to applicants on how to prepare and present their appeal before the Board.

Integrated Decision-Making & Planning

- The CMIPs provide for Federal-Provincial Management Committees to establish administrative guidelines for the application, review, assessment, approval, and implementation of projects and ensure that appropriate program reporting and evaluation processes are in place. The activities of the Management Committees are supported through the joint Canada-Manitoba Infrastructure Secretariat established to minimize overlap and duplication in federal-provincial program delivery and to contribute to improved federal-provincial co-operation. The Secretariat is staffed with both federal and provincial officials.

- The CMIPs provide for the establishment of one or more local consultative committees to review and recommend on project funding and implementation. A local consultative process was established for projects in rural and northern Manitoba and a separate consultative process for projects within Winnipeg. In Manitoba, the Infrastructure Programs are characterized by good, co-operative federal-provincial relations at both the elected and officials level, as well as a positive consultative process in project selection with local governments through Winnipeg City Council, the Association of Manitoba Municipalities (AMM), and the Northern Association of Community Councils (NACC).

- The Canada-Manitoba Economic Partnership Agreement (EPA) provides for a Federal-Provincial Management Committee to establish program strategic priorities, establish administrative guidelines for

the application, review, assessment, approval, and implementation of projects and ensure that appropriate program reporting and evaluation processes are in place.

- The Community Planning Assistance Program provides financial incentives and technical advice to municipalities to join together in a planning district and jointly develop land use planning by-laws.

- The Urban Strategic Initiatives Division has the lead role on behalf of the provincial government in the negotiation and implementation of the five-year, tripartite Winnipeg Partnership Agreement (WPA) for Winnipeg. The WPA, signed in May 2004, was developed through a collaborative tri-government process and provides a mechanism for co-ordinated, integrated decision-making and planning for urban development in Winnipeg.

- The Urban Strategic Initiatives Division, through the NA! Working Group, consults with colleagues in other departments on initiatives and proposals that may have impacts on more than one department. A Steering Committee of five Ministers makes decisions on all projects and provides overall direction for NA! and its component programs.

- The Urban Strategic Initiatives Division's Building Community Initiative has a joint, Manitoba-Winnipeg decision-making and implementation mechanism at both the working and the elected officials' levels that supports an integrated, collaborative approach.

- The Federal-Provincial and International Relations branch ensures a co-ordinated government-wide approach to the environment and international activities under the Province's international strategy framework, "Reaching Beyond our Borders", which was released in January 2006. This strategy includes the promotion of environmental stewardship as one of its key objectives.

Waste Minimization & Substitution

- Through participation on the government-wide Procurement Council, the Administrative Services Branch helps to formulate sustainable procurement practices for government-wide implementation, and also co-ordinates the implementation of these practices in Intergovernmental Affairs and Trade.

- The primary focus of the CMIPs is green municipal infrastructure, which includes solid waste management and recycling. As of March 31, 2006, 13 solid waste disposal and recycling projects have received support totaling $5.9 million under the Canada-Manitoba Infrastructure Programs.

- The Canada-Manitoba Economic Partnership Agreement provides support for emerging economic clusters, such as environmental industries including alternative energy developments.

- All branches and field offices increase the use of electronic options such as email to distribute program and promotional materials in order to reduce the use of paper.

Research & Innovation

- Municipal Finance and Advisory Services continues to support municipally-driven restructuring initiatives in rural Manitoba. The Branch also continues to support the Tools for Change partnership initiative with the Association of Manitoba Municipalities, including expanding the Best Practices component.

- The Canada-Manitoba Economic Partnership Agreement supports projects that encourage innovative research and development, including technology commercialization and product development; develop key sites of research-led development that generate related spin-off benefits for local companies; and build knowledge-based industries through strategies that retain and attract highly qualified researchers and scientists to Manitoba. For example, EPA is supporting the renovations of the historic Women's Memorial Tribute Lodge on the grounds of the Deer Lodge Centre to house a Movement Disorders Clinic. This clinic will provide specialized interdisciplinary treatment and support for clients with movement

disorders, such as Parkinson's Disease and Huntington's Disease. This centre will also lever opportunities to build on the neurosciences industry and attract research clinic specialists to Winnipeg.

- The Urban Strategic Initiatives Division has the lead role on behalf of the provincial government in the implementation of the five-year, tripartite Winnipeg Partnership Agreement (WPA) for Winnipeg. The WPA which was signed in May 2004, identifies technology and innovation as a distinct program area of the tripartite agreement.

- The Federal-Provincial and International Relations branch supports the Province's annual participation in the BIO conference and oversees/manages the agreements emanating from relationships and partnerships developed in the areas of biotechnology and life sciences.

Pollution Prevention and Human Health

- All branches and field offices continued to recycle solid waste and scrap paper, a total of 11,220 lbs., which includes aluminum cans, paper and cardboard and is expanding to batteries and Styrofoam, as well.

- The government has discontinued the use of virgin paper and increased the purchase of recycled paper. As a result the government used 100% recycled paper.

- The Winnipeg office of the Community and Land Use Planning Services Division undertake two-sided printing, in addition to two-sided copying, of documents. The objective is to reduce the amount of paper purchases. Instructions on how to two-side print have been distributed to the regional offices as well.

- The MRIF and CSIF programs specifically target the reduced production of greenhouse gases and airborne pollutants, as well as the use of innovative and sustainable technologies and practices to minimize greenhouse gas emissions.

- The Department's Workplace Safety and Health (WSP&H) Committee is functional and continues to meet on a quarterly basis. IAT's Workplace Safety & Health Program was completed and implemented in 2006. The program contains a plan to identify and control workplace hazards and respond to emergencies. All staff have received training on the WPS&H Program.

- Government supports membership discounts at some fitness facilities to encourage exercise and fitness for employees. Showers are available in some offices for staff who cycle to work or run during their lunch break. Purified water is available to staff in some locations.

Reduction of Fossil Fuel Emissions

- All departments have been encouraged to use ethanol gasoline (E10) when operating government vehicles. As leases expire, vehicles are being replaced with E85 vehicles (currently there are nine E85 vehicles of 74 vehicles). Evaluations are undertaken regularly to ensure the use of lower consumption vehicles.

- Alternative forms of transportation have been encouraged and bicycle racks have been installed at buildings where the staff have requested it.

Community Economic Development

- The strategic priority Sustainable Communities under the Canada-Manitoba Economic Partnership Agreement supports leaders in Manitoba's urban areas, rural areas, and the north to identify and take advantage of local opportunities ultimately fostering sustainable economic development. For example, with support from EPA, SEED Winnipeg have enrolled more than 30 Purchasing Partners and 20 Supplier Partners into the Social Purchasing Portal (SPP) program. The portal links progressive businesses with

small suppliers who commit to using the SPP Employment Network. As of March 31, 2006, more than 50 job opportunities were posted through SPP.

- The MRIF and CSIF programs both include objectives that support increased economic activity. For example, MRIF funding of $1.05 million will be used for upgrades to the Minnedosa Water Treatment Plant that are needed to meet water capacity and quality needs for the proposed $125.0 million Husky Energy ethanol plant expansion in Minnedosa. This expansion will enable the Province of Manitoba to become a leader in creating fuel to meet stricter environmental standards.

- Neighbourhoods Alive! supports and encourages a comprehensive approach to neighbourhood revitalization that combines social and economic development to foster the economic, social, environmental and cultural well-being of communities.

- To support the long term sustainable community and economic development of Winnipeg, on May 20, 2004, the three levels of government entered into the 5-year, $75.0 million Winnipeg Partnership Agreement (WPA). A major Agreement objective, particularly under its Aboriginal Participation and Building Sustainable Neighbourhoods program components, is to support broadly based, grass-root community economic development and the strengthening of community capacity. As of March 31, 2006, WPA had received more than 300 requests for funding and committed more than $27.0 million of its total allocation.

Emergency Measures Organization

Security and stability are important factors in building the confidence needed for sustainable development. A commitment to emergency preparedness not only builds the resilience of communities and their ability to withstand disasters, but also reduces losses and speeds recovery when disasters occur.

A large component of Manitoba EMO's activity involves building emergency preparedness capacity at the municipal level, which has the primary responsibility for the management of emergencies and disasters. This includes offering technical assistance in preparing emergency plans that meet the requirements of *The Emergency Measures Act*, and providing training emergency management training to municipalities at no cost.

The provincial government has made investments in emergency management that provide technical and specialized resources to assist municipalities in cases that might exceed their capabilities. The significant resources in this regard are a valuable component of the Province's public safety capacity; these investments protect Manitobans from catastrophic social and economic losses, which have direct implications to the sustainability of communities.

Appendix E – Progress or Performance Indicators

The 2005/2006 reporting year is the first year that a standardized Performance Measurement section appears in Departmental Annual Reports. This section is another step in our process to provide Manitobans with a more complete picture of the activities of government and their impacts on the Province. That process was begun in 2005 with the release of the document, *Reporting to Manitobans on Performance, 2005 Discussion Document*, which can be found at www.gov.mb.ca/finance/performance.

Performance indicators in departmental Annual Reports are intended to provide Manitobans with meaningful and useful information about government's activities, complementary to financial results. Some measures incorporate data collected by the provincial government, while others show data that are collected by external agencies. A range of existing, new and proposed measures may be reported in subsequent years, as the process continues to evolve.

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

WHAT WILL BE MEASURING?	WHY IS IT IMPORTANT TO MEASURE THIS?	WHAT IS THE MOST RECENT VALUE FOR THIS INDICATOR	WHAT IS THE TREND OVER TIME FOR THIS INDICATOR?	COMMENTS/RECENT ACTIONS/REPORT LINKS
1. Approved Development Plans provide a municipal framework to direct sustainable land use and development in the municipality or planning district through maps, policies and statements of physical, social, environmental and economic objectives. Measuring: The number of municipalities with approved Development Plans that include a Livestock Operation Policy (LOP).	Land use planning is the foundation upon which communities build economic opportunities, protect the environment and improve quality of life for their citizens.	In 2006, 165 of 198 municipalities have a Development Plan in place. 2 of 198 have a Livestock Operation Policy that meets requirements of new Act.	As of March 31, 2005, 156 of 198 municipalities had an approved Development Plan. This increased to 165 out of 198 municipalities in March 2006. (Pre-dates changes to *Planning Act* requiring LOP.)	The new *Planning Act* adopted in January 2006 now requires all municipalities have a land use Development Plan, with a Livestock Operation Policy, in place by 2008. These requirements are a key element of province-wide initiatives to enhance planning and promote sustainability of the livestock industry. The development of LO policies provides opportunity for all citizens of a municipality including local farmers and residents of both towns and rural areas, to discuss how livestock operations fit within their long-term development goals.

WHAT WILL BE MEASURING?	WHY IS IT IMPORTANT TO MEASURE THIS?	WHAT IS THE MOST RECENT VALUE FOR THIS INDICATOR	WHAT IS THE TREND OVER TIME FOR THIS INDICATOR?	COMMENTS/RECENT ACTIONS/REPORT LINKS
2. Long-term financial viability of municipalities (excluding the City of Winnipeg), by measuring the number of municipalities that file their tax levy by-laws with the Minister by the legislated date.	Municipalities that are financially viable are able to deliver services efficiently and effectively to citizens.	For 2005, (municipalities' fiscal year), 80% of municipalities filed their tax levy by-law with the Minister by June 15 (legislated date under *The Municipal Act*).	The trend has been at 80%.	Although *The Municipal Act* does not define "financial viability", there are legislative requirements that if consistently not met, indicate financial management stress.
3. Property owners' satisfaction with the assessments of their properties (made by the Provincial Municipal Assessor), by measuring the number of property owner appeals in a reassessment year to the Board of Revision.	All property owners have the right to appeal their assessments to the Board of Revision if they believe the assessed value of their property does not reflect the market value of their property (as of the reference year). A low appeal rate indicates ratepayer satisfaction with the assessment of their property.	In 2006, 0.5% of assessment roll entries were appealed to the Board of Revision.	The appeal rate is declining. In the 2002 reassessment, 0.7% of roll entries were appealed, compared to 0.5% for the 2006 reassessment.	Under *The Municipal Assessment Act*, every municipality must have a Board of Revision. The Provincial Municipal Assessor is responsible for delivery of assessment services to all municipalities, except the City of Winnipeg (the City is responsible for delivery of its own assessment services).

WHAT WILL BE MEASURING?	WHY IS IT IMPORTANT TO MEASURE THIS?	WHAT IS THE MOST RECENT VALUE FOR THIS INDICATOR	WHAT IS THE TREND OVER TIME FOR THIS INDICATOR?	COMMENTS/RECENT ACTIONS/REPORT LINKS
4. Enhancements to community economic development and infrastructure investment are measured by determining the number of projects initiated and the extent of municipal, federal, and other partners levered investments as a result of provincial investment in local infrastructure and community economic development initiatives. Measuring: The number of projects initiated and / or completed. Levered investments.	These investments improve community capacity and quality of life for citizens.	Between 2000 and March 31, 2006, 797 projects were initiated and / or completed levering over $994.1 million dollars in complementary funding from all partners – government and non-government.	The provincial investments have significantly enhanced the capacity of communities to undertake projects and lever further investments from other partners that would not necessarily occur otherwise. For e.g., since 2000 the department has invested in close to 800 community initiatives, levering close to $1.0 billion from all partners.	Measure for projects under Canada-MB Infrastructure Program; MB – Rural Infrastructure Program; Canada-Strategic Infrastructure Program; Canada Economic Partnership Agreement; Winnipeg Partnership Agreement and Neighbourhoods Alive! Separate annual reports provide additional performance measurement information for the Canada- Manitoba Infrastructure Programs, the Economic Partnership Agreement, and the Winnipeg Partnership Agreement.
5. Municipal preparedness to address and respond to an emergency as demonstrated by the development of emergency plans which lead to a co-ordinated system for the management of risks, the direction of resources during a disruption, and the delivery of disaster recovery programs. Measuring: The number of approved emergency plans in place.	The development of municipal emergency plans includes the promotion of individual responsibility for emergency preparedness, the development of practical measures to improve public safety, and the creation of a province wide system to address local, region and provincial emergencies and disasters thereby reducing local and provincial liability associated with an emergency event.	In 2006, 197 of 199 municipalities had approved emergency plans.	Starting with statutory amendments made in 2001, 197 of 199 municipalities had approved emergency plans with continuing efforts to increase to full compliance.	Starting in 2001, *The Emergency Measures Act* required every municipality to have an emergency plan approved by Manitoba Emergency Measures Organization (EMO). Manitoba EMO has been in discussion with the Association of Manitoba Municipalities about evolving and new requirements for municipal emergency plans.

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6. The export-readiness of Manitoba companies, by measuring the annual number of new exporters, plus the number of experienced exporters who have diversified their export markets. "Exporters who have diversified their markets" refers to those who have successfully begun to export to markets that are new to the company.	Companies must become export-capable to compete in domestic/international markets. Increasing the number of new exporters will contribute to the job and wealth creation in the Province. The ability of a company to export products for the first time, and later to sell into new markets, is an indicator of a company's ability to understand and meet the needs of new customer segments, as well as to plan, sell and deliver to those customers. These skills are critical to global competition for Manitoba.	In the year 2005/2006, 100 companies reported either first-time exports, or exports to new markets.	No trend yet established. This is a new measure in 2005/2006.	The Exporter Development Initiative was announced by Minister Rosann Wowchuk in May 2004. See Section on Manitoba Trade in the Annual Report. Its purpose is to increase exports by Manitoba companies, by encouraging first-time exporters and by supporting market diversification for existing exporters. The department offers a range of services, including mentoring of new exporters, participation in our website, seminars, newsletters, outreach and access to enhanced market intelligence and analysis. Manitoba Trade's company database lists 1,635 companies who are actively exporting out of a total listing of 6,434 companies. The database also lists associations, towns, cities and media.

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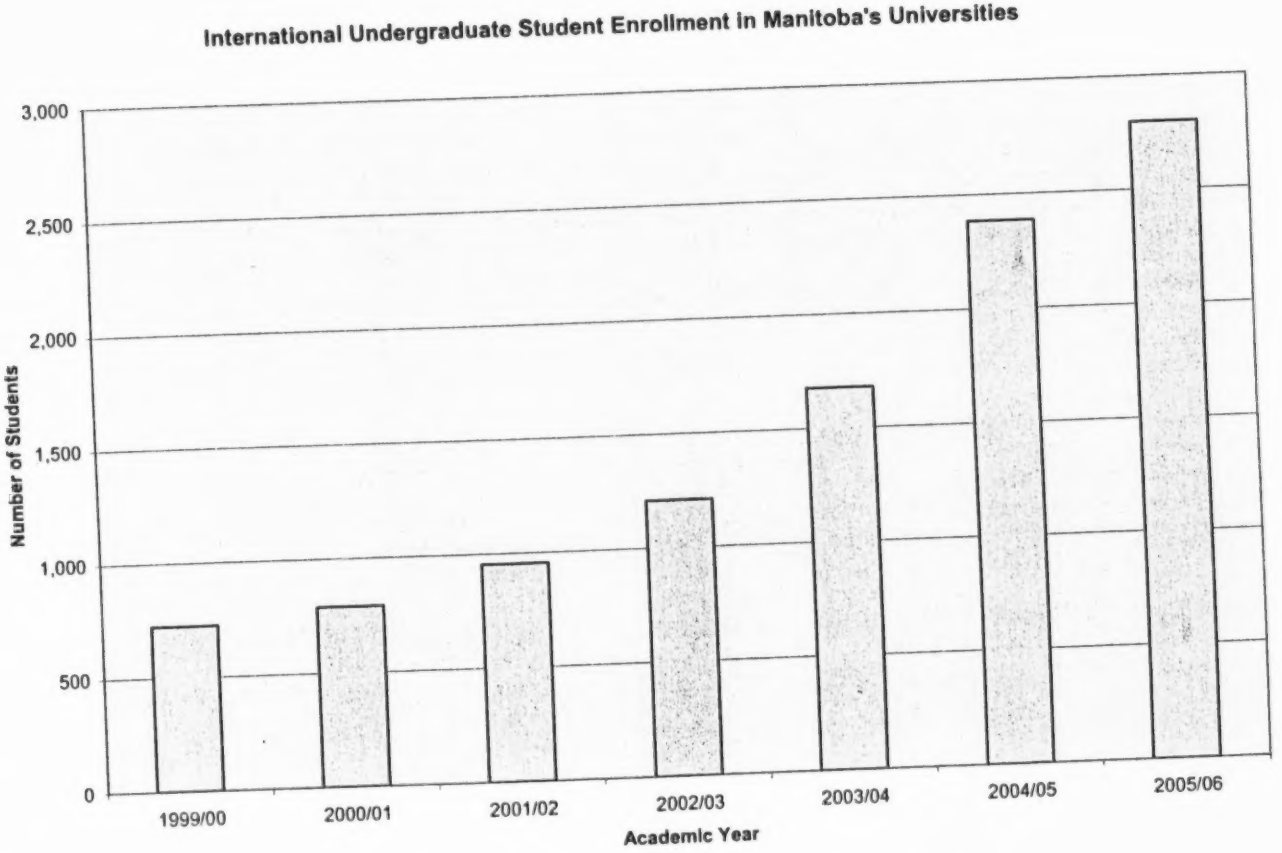
7. The success of Manitoba's international education activities by measuring the international student population in Manitoba by country of origin.	It is a key indicator of the success of international education promotion.	The most recent overall sector data is from the 2004/2005 academic year, however data for universities and colleges is available the 2005/2006 year and demonstrates the growth in enrollments to 2,797.	Increasing. See attached bar chart.	We produce the annual *Report on International Students in Manitoba* available on the internet at www.education-excellence.ca or http://www.gov.mb.ca/ie/public/intl_branch/publications.htm


International Undergraduate Student Enrollment in Manitoba's Universities
3,000
2,500
2,000
1,500
1,000
500
0
Number of Students
1999/00
2000/01
2001/02
2002/03
2003/04
2004/05
2005/06
Academic Year